|  |  |
| --- | --- |
| **Project Name**  | **De-risking renewable energy NAMA for the Nigerian power sector** |
| **Type of Evaluation** | **MTR** |
| **Unit Responsible for providing management response** | **Nigeria** |
| **Recommendations** |
| **1.** |
| **Recommendation** | **Reassess the project strategy and redesign the project components accordingly**.Three possible options are discussed in Section 4.2.1 of this MTR report and include: Option 1, remain focused on utility-scale solar PV and update the project strategy according to current circumstances; Option 2, reorient the project strategy towards rooftop PV (on-grid); and Option 3, reorient the project strategy towards embedded generation and interconnection mini-grids. The project results framework and allocation of funding across project components should be adjusted according to the updated or revised strategy. It is also recommended to develop a theory of change for the updated project strategy and reformulate the project results framework and an exit strategy in accordance with the causal pathways. A draft theory of change is included in this MTR report for consideration. |
| **Management Response** | Agreed |
| **Key Actions** |  | **Responsible** | **Due Date** | **Status** | **Comments** |
|  | In consultation with the implementing partner and key government and development partners, the project should select from among the three course correction options presented in the MTR to reorient the project strategy. | **UNDP**,PMU/ECN,PSC | November 2019 | completed | The three options were presented to PSC members. Option 3 was unanimously adopted with slight modifications: **“Inter-connected mini-grids”.** An international consultant was engaged to re-design the project to focus on “inter-connected mini-grid”. |
| Develop a theory of change for the updated project strategy and reformulate the project results framework and an exit strategy in accordance with the causal pathways | **UNDP**,PMU/ECN,PSC | November 2019 | Completed  | The MTR developed a draft theory of change, which was used by the Project Strategy Revision Consultant to reformulate the results framework. |
| **2.** |
| **Recommendation** | **Strengthen involvement of the FMPW&H and FME through a joint implementation approach.**Implementation roles and responsibilities should be assigned to the FMPW&H and FME, and possibly other stakeholders, to strengthen involvement and ensure ownership of the processes. |
| **Management Response** | Partially agreed. The Federal Ministry of Power (FMP) and Federal Ministry of Environment belong to the respective Technical Working Groups that provide technical back-up to the Project Steering Committee (PSC) and Project Management Unit (PMU) as the need arises. Nonetheless, the project team will explore ways to further strengthen the involvement of FMP and FME. |
| **Key Actions** |  | **Responsible** | **Due Date** | **Status** | **Comments** |
|  | Develop a Gantt chart that includes the full range of activities and outputs under each component, anticipated time of conclusion as well as progress over time. The responsible person should be named in the chart. The responsible person, where relevant, should present progress against these expectations at the PSC.  | **UNDP, PSC** | October 2020 | Ongoing | This has been agreed as part of the preparation of the 2020 PSC |
|  |  |  |  |  |
| **3.** |
| **Recommendation** | **Identify institutional roles and responsibilities for the project outputs and facilitate ownership of project****results, through institutionalizing the project results.**The institutional roles and responsibilities for each of the project outputs should be identified, and specific “champions” assigned in the relevant institutions to help facilitate institutionalization of project results. Projectoutputs include, but are not limited to, technology action plans, MRV mechanism, GIS tool, environmental andsocial safeguard guidelines, financial sector reforms, etc. |
| **Management Response** | Agreed. |
| **Key Actions** |  | **Responsible** | **Due Date** | **Status** | **Comments** |
|  | Specific institutional roles and responsibilities will be assigned for each of the project outputs. These institutions will serve as “champions” to help facilitate institutionalization of project results | **PMU**, PSC | October 2020 | On-going | Institutional roles are being identified and responsibilities assigned for each of the project outputs. |
|  |  |  |  |  |
| **4.** |
| **Recommendation** | **Provide technical advisory support to help ensure coherency of project results.**A part-time chief technical advisor should be recruited to support the PMU in ensuring a high quality of project outputs and to guide the project towards achieving the intended outcomes. |
| **Management Response** | Agreed |
| **Key Actions** |  | **Responsible** | **Due Date** | **Status** | **Comments** |
|  | A CTA will be engaged to support the PMU in ensuring a high quality of project outputs and to guide the project towards achieving the intended outcomes. | **PMU, UNDP** | May, 2020 | On-going  | Engagement of a CTA delayed. Procurement notice was placed by UNDP since 26 January 2020 but no response yet. The procurement notice will be advertised. The CO will also reach out to the Regional Centre regarding the possibility of procuring relevant expertise from one of the regional or global rosters. |
|  |  |  |  |  |
| **5.** |
| **Recommendation** | **Streamline and clarify the role and responsibilities of the project steering committee.**A term of reference should be prepared for the project steering committee that includes identification of members and descriptions of roles and responsibilities. Stakeholders that are not members of the PSC should be encouraged to attend the PSC meetings as observers. |
| **Management Response** | Agreed |
| **Key Actions** |  | **Responsible** | **Due Date** | **Status** | **Comments** |
|  | Prepare and adopt terms of reference for the project steering committee to document their roles and responsibilities | **PMU, UNDP** | September 2020. | On-going  | Draft terms of reference for the project steering committee to be finalized. |
|  |  |  |  |  |
| **6.** |
| **Recommendation** | **Develop and implement a communication and knowledge management strategy and action plan.**A communication and knowledge management strategy and action plan should be developed in accordance with the updated or revised project strategy. An emphasis should be placed on proactively sharing knowledge generated by the project and information from the RE sector in general, as one of the derisking instruments to overcome the barrier of the lack of awareness and knowledge of the value of RE among decision-makers, consumers, end-users and local residents. |
| **Management Response** | Agreed |
| **Key Actions** |  | **Responsible** | **Due Date** | **Status** | **Comments** |
|  | Develop communication and knowledge management strategy and action plan | PMU/UNDP | September 2020 | On-going  | A Communication action plan was produced and included in the 2020 Annual Work Plan (AWP). |
|  |  |  |  |  |
| **7.** |
| **Recommendation** | **Improve coordination with other projects and programs**An important part of reassessing the project strategy is to determine how the available GEF funds can provide meaningful incremental support to the sector, considering that there are several other ongoing projects and programs underway and in the pipeline. Apart from updating the analysis of baseline activities and possibly identifying additional co-financing partners, the project should implement an approach for maintaining close coordination with other projects and programs throughout the implementation phase. It would also be advisable to expand the level of sharing lessons learned and best practices among the portfolio of UNDP-GEF projects in the region. |
| **Management Response** | Agreed |
| **Key Actions** |  | **Responsible** | **Due Date** | **Status** | **Comments** |
|  | Update the analysis of ongoing and planned baseline activities related to interconnected mini-grids in Nigeria and identify additional co-financing partners to support investments in interconnected mini-grids | PMU/UNDP | November 2020 | On-going |   |
| Expand the level of sharing lessons learned and best practices among the portfolio of UNDP-GEF in the region. | PMU/UNDP | November 2020 | Ongoing | Project activities are implemented in partnership with Ministries, Departments and Agencies (MDAs), development agencies, CSOs and the private sector.Consultant engaged to develop lessons learned and best practices. |
| **8.** |
| **Recommendation** | **Update the monitoring and evaluation (M&E) plan for the project.**Concurrent with updating or revising the project results framework according to the updated or revised project strategy, an updated M&E plan should be developed and implemented for the project. The means for verifying each of the performance metrics in the results framework should be described, along with allocation of resources and responsibilities. The GEF climate change mitigation tracking tool should also be updated according to the revised strategy. And, as indicated in Section 3.3.4 of this MTR report, the GHG emission reductions achieved through the off-grid solar PV investments made in 2017 should be included in the midterm assessment of the tracking tool. |
| **Management Response** | Agreed |
| **Key Actions** |  | **Responsible** | **Due Date** | **Status** | **Comments** |
|  | Produce an updated M&E plan for the project. The means for verifying each of the performance metrics in the results framework will be described, along with allocation of resources and responsibilities. | PMU, UNDP | October 2020 | On-going | Updated M&E plan for the project to be finalized.  |
| Update GEF climate change mitigation tracking tool aligning it to the revised strategy. | PMU, UNDP | September 2020 | Ongoing | Consult with UNDP Regional Technical Advisor for guidance in finalizing the mid-term tracking tool |
| **9.** |
| **Recommendation** | **Strengthen management of project risks.**Management of project risks should be strengthened, including more proactive involvement in mitigation of social and environmental risks associated with the utility-scale solar PV plant in Bauchi State. Project risks should also be reassessed according to the process of updating or revising the project strategy, and appropriate risk mitigation measures should be implemented accordingly. |
| **Management Response** | Agreed |
| **Key Actions** |  | **Responsible** | **Due Date** | **Status** | **Comments** |
|  | Reassess project risks according to the process of revising the project strategy and cost appropriate risk mitigation measures | PMU, UNDP | August, 2020 | On-going  | Consultants engaged to reassess the project risks in-line with the revised project strategy through De-risking Renewable Energy Investment (DREI) Analysis for solar PV technology in Nigeria. |
| Conduct detailed social and environmental screening procedure (SESP) for revised project strategy on interconnected mini grids, conduct environmental and social impact assessment (ESIA) for proposed investment sites, and prepare environmental and social management plan (ESMP) based on assessments | PMU, UNDP | December 2020 | Pending | Engage a safeguards expert to conduct screening and assessment and prepare a management plan. Regional Service Centre will share sample TORs and can recommend qualified experts. |
| **10.** |
| **Recommendation** | **Facilitate a decision from the PSC and UNDP that is retroactive in regard to the investment in off-grid solar****PV systems in 2017.**The use of GEF funds for investment in off-grid solar PV systems in 2017 should be reconciled through a decisionby the PSC and UNDP that is effective retroactively. |
| **Management Response** | Agreed. |
| **Key Actions** |  | **Responsible** | **Due Date** | **Status** | **Comments** |
|  | Facilitate decision from the PSC and UNDP that should reconcile the use of GEF funds for investment in off-grid solar PV systems in 2017. | **PSC, UNDP** | 26-06-2019 | completed | The Project Steering Committee (PSC) and UNDP in an Extra-Ordinary Emergency Meeting approved the construction of the three (3) demonstration projects in Jigawa, Ogun State and Kano State during an Extra-Ordinary Emergency Steering Committee meeting held 27 June 2019. |
|  |  |  |  |  |
| **11.** |
| **Recommendation** | **Follow up on the progress of implementing the recommendations for achieving financial sector reform.**It would be advisable to follow up on the recommendations made in the financial sector reform report under Output 2.1, identifying responsible entities for each of the recommendations and requesting progress feedback reports at each of the project steering committee meetings. |
| **Management Response** | Agreed |
| **Key Actions** |  | **Responsible** | **Due Date** | **Status** | **Comments** |
|  | Follow up on the recommendations made in the financial sector reform report under Output 2.1 | **PSC, UNDP** | November 2020 | On-going  | National workshop on popularization of financial sector reform report proposed.  |
| Identify responsible entities for each of the recommendations and request and request progress feedback reports at each of the Project Steering Committee meetings | PMU, UNDP | October 2020 | Pending | A planned consultation planned during the 2020 implementation year |