GEF EO Terminal Evaluation Review Form

1. PROJECT DATA

<table>
<thead>
<tr>
<th>Review date:</th>
<th>GEF Project ID: 1058</th>
<th>at endorsement (Million US$) 0.70</th>
<th>at completion (Million US$) 0.70</th>
</tr>
</thead>
<tbody>
<tr>
<td>IA/EA Project ID: 2164</td>
<td>GEF financing: IA/EA own: 0.06</td>
<td>0.03</td>
<td></td>
</tr>
<tr>
<td>Project Name: Pacific Islands Renewable Energy Project</td>
<td>Government: 0.051</td>
<td>0.054</td>
<td></td>
</tr>
<tr>
<td>Country: Regional (Pacific Islands)</td>
<td>Other*: Total Cofinancing 0.111</td>
<td>0.084</td>
<td></td>
</tr>
<tr>
<td>Operational Program: OP6</td>
<td>Total Project Cost: 0.811</td>
<td>0.784</td>
<td></td>
</tr>
</tbody>
</table>

IA UNDP Dates

| Partners involved: South Pacific Regional Environment Programme (SPREP) | Work Program date | UA CEO Endorsement | May 2002 |
| | | Effectiveness/ Prodoc Signature (i.e. date project began) | |
| | Closing Date | Proposed: Nov 2004 | Actual: Aug 31 2006 |
| Preapred by: Neeraj Negi | Reviewed by: Lee Risby | Duration between effectiveness date and original closing: 18 months | Duration between effectiveness date and actual closing: 39 months |
| | | Difference between original and actual closing: 21 months | |
| Author of TE: Jan van den Akker | TE completion date: October 2006 | TE submission date to GEF OME: July 12, 2007 | Difference between TE completion and submission date: 9 months |

* Other is referred to contributions mobilized for the project from other multilateral agencies, bilateral development cooperation agencies, NGOs, the private sector and beneficiaries.

2. SUMMARY OF PROJECT RATINGS

Please refer to document “GEF Office of Evaluation Guidelines for the verification and review of terminal evaluations” for further definitions of the ratings.

<table>
<thead>
<tr>
<th>Last PIR</th>
<th>IA Terminal Evaluation</th>
<th>Other IA evaluations if applicable (e.g. IEG)</th>
<th>GEF EO</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Project outcomes</td>
<td>S</td>
<td>UA</td>
<td>UA</td>
</tr>
<tr>
<td>2.2 Project sustainability</td>
<td>N/A</td>
<td>UA</td>
<td>UA</td>
</tr>
<tr>
<td>2.3 Monitoring and evaluation</td>
<td>UA</td>
<td>UA</td>
<td>UA</td>
</tr>
<tr>
<td>2.4 Quality of the evaluation report</td>
<td>N/A</td>
<td>N/A</td>
<td>UA</td>
</tr>
</tbody>
</table>

Should this terminal evaluation report be considered a good practice? Why?

No. The terminal evaluation report comprehensively covers issues pertaining to project outcomes and process related issues that affected these outcomes. It, however, does not provide overall ratings for outcomes, risks to sustainability, and M&E.

Is there a follow up issue mentioned in the TE such as corruption, reallocation of GEF funds, etc.?

None of such issues are mentioned.

3. PROJECT OBJECTIVES AND ACTUAL OUTCOMES

3.1 Project Objectives
• What were the Global Environmental Objectives of the project? Were there any changes during implementation?

According to the Project Appraisal Document (PAD) the goal of the project was preparation of a regional approach to removing barriers to the development and commercialization of renewable energy (RE) systems in the Pacific Island Countries (PICs) that influences country efforts to reduce the long-term growth of greenhouse gas (GHG) emissions from fossil fuel uses.

Based on the review of project goal listed in the Terminal Evaluation and the PIR for FY 2006 it could be said that there was no change in the project goals during implementation of the project.

• What were the Development Objectives of the project? Were there any changes during implementation?

According to the PAD, the project development objective of the project was to facilitate adoption and commercialization of feasible and applicable renewable energy technologies, as part of the efforts to support sustainable development of the Pacific Island Countries through the removal of barriers to the widespread application of renewable energy technologies and the reduction of their implementation costs are accelerated."

Based on the review of project goal listed in the Terminal Evaluation and the Project Implementation Report (PIR) for FY 2006 it could be said that there was no change in the development objectives during implementation of the project.

3.2 Outcomes and Impacts

• What major project outcomes and impacts are described in the TE?

According to the Terminal Evaluation, the project had following major accomplishments.

- The Pacific Islands Renewable Energy Project (PIREP) has produced national assessment reports for each of the 14 participating countries and Tokelau, the regional synthesis report and the three special topic reports. The reports provide an excellent description of the baseline situation in Pacific Island Countries (PICs) and the reports are reportedly being used widely in the countries.
- PIREP has produced a framework for a region-wide renewable energy project. Its successor project, 'Pacific Islands Greenhouse Gas Abatement through Renewable Energy Project (PIGGAREP)', has secured funding from GEF, the participating countries and other donors. Eleven (11) countries will participate (Cook Islands, Fiji, Kiribati, Nauru, Niue, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu) in PIGGAREP. In addition, Marshall Islands and Palau are developing their own medium-sized UNDP/GEF proposals (respectively called AMIRE and SEDREA) as spin-offs of the PIREP preparatory activities.
- A series of in-country workshops and regional meetings were held as part of PIREP to prepare the assessment reports and the PIGGAREP concept. The complete series of PIREP reports and a database of energy-related information have been published on the SPREP website.
- The project has been managed in such a way that the outcomes, in particular the key outcome of a full sized successor PIGGAREP project approved by GEF, have been achieved within a reasonable timeframe.

The terminal evaluation also acknowledges that the project was primarily output oriented – its aim was to aid development of a follow up project.

4. GEF EVALUATION OFFICE ASSESSMENT

4.1.1 Outcomes (use a six point scale 6= HS to 1 = HU)

A Relevance

| Rating: S |
The expected outcomes of the project primarily pertain to removal of specific barriers to renewable energy development. This is consistent with the priorities of Operational Program 6 of the GEF.

B Effectiveness

| Rating: S |
According to the terminal evaluation report, the project was primarily output oriented by design – it aimed at facilitating preparation of a follow up project. Therefore, higher order outcomes or impacts were not expected. It lists the following as the outputs/outcomes achieved by the project:

- Capacity building on renewable energy development policy formulation and recommendations on barrier removal measures: The assessment and technical reports prepared as part of this project provide an excellent description of the baseline situation in Pacific Island Countries. While these reports discuss most of the issues relevant to renewable energy, they do not discuss the relative economics of renewable energy technology and fossil fuels. These reports are being used widely by the Pacific Island Countries.
- Project framework designed for the future renewable energy program in the Pacific region: Based on the work done under this project a follow-up project was prepared and this project has been approved by the GEF.
- Stakeholders are engaged in the design of the future renewable energy program and outputs, and recommendation and lessons learned are disseminated: The project has been effective in ensuring stakeholder participation in preparation of the future renewable energy program in the Pacific Island Counties.

Based on what was expected from the project, the project performance was satisfactory in terms of outcome achievement.

<table>
<thead>
<tr>
<th>C Efficiency (cost-effectiveness)</th>
<th>Rating: MU</th>
</tr>
</thead>
<tbody>
<tr>
<td>The project was completed with a 21 month delay. The terminal evaluation report explains that the performance of the project did not suffer on this count as most of the important activities of the project had been accomplished within the first two years. However, elsewhere the terminal evaluation reports that due to the delays less resources were spent on studies and consultation – the actual expenditure on project management was about twice the expected proportion (42 % compared to 22%).</td>
<td></td>
</tr>
</tbody>
</table>

4.1.2 Impacts

None described in the terminal evaluation report.

4.2 Likelihood of sustainability. Using the following sustainability criteria, include an assessment of risks to sustainability of project outcomes and impacts based on the information presented in the TE. Use a four point scale (4= no or negligible risk to 1= High risk)

<table>
<thead>
<tr>
<th>A Financial resources</th>
<th>Rating: L</th>
</tr>
</thead>
<tbody>
<tr>
<td>The follow up project, which has been approved by the GEF, will ensure that the recommendations entailed in the documents prepared as part of this project are carried out. Thus, financial risks to the benefits coming out of the project are low.</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>B Socio political</th>
<th>Rating: L</th>
</tr>
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<tbody>
<tr>
<td>The terminal evaluation does not bring any evidence that would indicate that the benefits coming out of the project face socio political risks. In contrast, the terminal evaluation explains that the reports prepared as part of this project are being widely used by the participating countries.</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>C Institutional framework and governance</th>
<th>Rating: L</th>
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<tbody>
<tr>
<td>Although the terminal evaluation does not discuss this issue in detail, it does indicate that the project built local capacities. This is likely to facilitate implementation of future initiatives on renewable energy.</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th>D Environmental</th>
<th>Rating: L</th>
</tr>
</thead>
<tbody>
<tr>
<td>The terminal evaluation report does not discuss any environmental risks to continuation of benefits from the project. Given the nature of the project such risks are low.</td>
<td></td>
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</table>

4.3 Catalytic role

a. Production of a public good

The project created reports and technical documents that have informed environmental policy making in the pacific island countries.

b. Demonstration
c. Replication
d. Scaling up

The documents created as part of this project have formed a basis for preparation of a larger project that will address the barriers to renewable energy technologies in the pacific island countries.
4.4 Assessment of the project’s monitoring and evaluation system based on the information in the TE

<table>
<thead>
<tr>
<th>A. M&amp;E design at Entry</th>
<th>Rating (six point scale): S</th>
</tr>
</thead>
<tbody>
<tr>
<td>Given the nature of the project, the results that could be attributed to the project comprise exclusively of outputs. The M&amp;E plan presented focuses on the key outputs of the project and is well adapted to measure performance.</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>B. M&amp;E plan Implementation</th>
<th>Rating (six point scale): S</th>
</tr>
</thead>
<tbody>
<tr>
<td>According to the terminal evaluation the progress of activities and outputs were monitored, documented and regularly reported through quarterly and annual project progress reports. The progress was reviewed through two Multipartite Review meetings.</td>
<td></td>
</tr>
</tbody>
</table>

| C.1 Was sufficient funding provided for M&E in the budget included in the project document? |
|-----------------------------------------------|-------------------------------|
| Yes. |

| C.2 Was sufficient and timely funding provided for M&E during project implementation? |
|-----------------------------------------------|-------------------------------|
| Yes |

| C.3 Can the project M&E system be considered a good practice? |
|-----------------------------------------------|-------------------------------|
| In terms of the M&E requirements this project is atypical to the general GEF portfolio. Its M&E design requirements were very simple. Thus, while M&E for this project was satisfactory it may not be a model for other projects. |

4.5 Lessons and Recommendations

What lessons mentioned in the TE that can be considered a good practice or approaches to avoid and could have application for other GEF projects?

According to the terminal evaluation, following lessons can be derived from the project:

- It is important to consult widely with a broad range of stakeholders during the project designing process;
- There should be realism in planning for effective and timely implementation of the project. However, this is affected by:
  - Change in project implementation frameworks and progress report formats after every two-three years;
  - The tendency to include as many issues and options possible in the hope that GEF secretariat will then more favorably appraise the project;
  - Project budgets not being directly linked with the project planning frameworks of outcomes and activities.
- GEF applies a rigid approach in terms of project concept formats and amount of funding available. This is in conflict with the large diversity among countries.

List (or if detailed summarize) the recommendations given in the terminal evaluation

The terminal evaluation provides following recommendations:

For UNDP/GEF

- Organize an evaluation of preparation activities (PDF A and B) of selected projects in order to derive some lessons learned on the process and outputs of ‘good project design.’

For the follow up project

- A clear and detailed work plan needs to be formulated. One way to go forward is:
  - Let the manager of the follow up project formulate a work plan and a tentative budget for country and regional activities by having some informal consultations with key project staff and other stakeholders.
  - Organize a workshop in each country to prioritize renewable energy issues, technologies, measures and options, and formulate a budgeted list of outputs and activities.
  - Organize a regional inception workshop, using the results of the national workshops as inputs, with the objective to look at the project setup to discuss the draft Work Plan and budget. In addition to the key project staff the government agencies should also participate in these workshops.
  - Finalize the Work Plan and budget to be endorsed by UNDP
- Project Advisory Committee (PAC) should be larger and should have representation from partner countries, civil society and private sector organizations.
- A clear strategy for linkages with other programs ought to be developed and defined per activity in the Work Plan.
4.6 Quality of the evaluation report

Provide a number rating 1-6 to each criteria based on: Highly Satisfactory = 6, Satisfactory = 5, Moderately Satisfactory = 4, Moderately Unsatisfactory = 3, Unsatisfactory = 2, and Highly Unsatisfactory = 1. Please refer to document “GEF Office of Evaluation Guidelines for the verification and review of terminal evaluations” for further definitions of the ratings.

4.6.1 Comments on the summary of project ratings and terminal evaluation findings from other sources such as GEF EO field visits, etc.

None

4.6.2 Quality of terminal evaluation report

<table>
<thead>
<tr>
<th>A. Does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives?</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>It does provide a fairly detailed assessment of relevant outcomes and outputs of the project.</td>
<td></td>
</tr>
<tr>
<td>B. Is the report internally consistent, is the evidence complete/convincing and are the IA ratings substantiated?</td>
<td>3</td>
</tr>
<tr>
<td>The terminal evaluation is internally consistent and the evidence provided is fairly complete. It rated four individual outcomes of the project but did not provide an overall outcome rating. Further, it did not provide ratings for performance of the M&amp;E system and of risks to sustainability.</td>
<td></td>
</tr>
<tr>
<td>C. Does the report properly assess project sustainability and/or a project exit strategy?</td>
<td>4</td>
</tr>
<tr>
<td>D. Are the lessons learned supported by the evidence presented and are they comprehensive?</td>
<td>5</td>
</tr>
<tr>
<td>E. Does the report include the actual project costs (total and per activity) and actual co-financing used?</td>
<td>5</td>
</tr>
<tr>
<td>The report does include the actual project costs and the actual co-financing used.</td>
<td></td>
</tr>
<tr>
<td>F. Does the report present an assessment of project M&amp;E systems?</td>
<td>4</td>
</tr>
<tr>
<td>The report does assess M&amp;E systems of the project. However, it does not provide ratings for its implementation.</td>
<td></td>
</tr>
</tbody>
</table>

4.6.3 Assessment of processes affected attainment of project outcomes and sustainability.

| Co-financing and Project Outcomes & Sustainability. If there was a difference in the level of expected co-financing and actual co-financing, then what were the reasons for it? Did the extent of materialization of co-financing affect project’s outcomes and/or sustainability, and if it did affect outcomes and sustainability then in what ways and through what causal linkage did it affect it? | Yes, the contribution from UNDP was lower than expected by US dollar 30,000 (about 4% of the total outlay). The terminal evaluation report does not address how this shortfall affected project outcomes and sustainability. |
| Delays and Project Outcomes & Sustainability. If there were delays in project implementation and completion, then what were the reasons responsible for it? Did the delay affect the project’s outcomes and/or sustainability, and if it did affect outcomes and sustainability then in what ways and through what causal linkage did it affect it? | Project completion was delayed by 21 months. According to the terminal evaluation, this did not affect the project in terms of project outcomes and sustainability. However, the information provided elsewhere seems to suggest that due to the delays more resources of the project were spent on project management than on studies and consultations. |

4.7 Is a technical assessment of the project impacts described in the TE recommended? Please place an “X” in the appropriate box and explain below.

Yes:  
No: X  
Explain: Outcome related issues are well covered and key outcome is verifiable through the GEF database.

4.8 Sources of information for the preparation of the TE review in addition to the TE (if any)

PIR 2006, PAD