

GEFM&E Terminal Evaluation Review Form

1. PROJECT DATA				
GEF Project ID: 113		Review date:		9/14/06
IA/EA Project ID:		at endorsement (Million US\$)		at completion (Million US\$)
Project Name: Lake Ohrid Management		GEF financing:		4.100
Country: Regional (South Eastern Europe and Balkans)		IA/EA own:		3.493
		Government:		0.12 (Albania) 0.15 (Macedonia)
		Other*:		21.000
		Total Cofinancing		21.270
Operational Program: 8		Total Project Cost:		25.370
IA: WB		Dates		
Partners involved: Ministry of Public works		Work Program date		
		CEO Endorsement		05/15/1998
		Effectiveness/ Prodoc Signature (i.e. date project began)		12/03/1998
		Closing Date	Proposed: 06/30/2003	Actual: 12/31/2004
Prepared by: Antonio del Monaco	Reviewed by: Aaron Zazueta	Duration between effectiveness date and original closing: 55 months	Duration between effectiveness date and actual closing: 73 months	Difference between original and actual closing: 18 months
Author of TE:		TE completion date: June 21, 2005	TE submission date to GEF OME: 09/21/2005	Difference between TE completion and submission date: 3 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

GEFME Ratings for project impacts (if applicable), outcomes, project monitoring and evaluation, and quality of the terminal evaluation: Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), Highly Unsatisfactory (HU), not applicable (N/A) and unable to assess (U/A). GEFME Ratings for the project sustainability: Highly likely (HL), likely (L), moderately likely (ML), moderately unlikely (MU), unlikely (U), highly unlikely (HU), not applicable (N/A), and unable to assess (U/A). Please refer to document "Ratings for the achievement of objectives, sustainability of outcomes and impacts, quality of terminal evaluation reports and project M&E systems" for further definitions of the ratings.

	Last PIR	IA Terminal Evaluation	Other IA evaluations if applicable (e.g. IEG)	GEFME
2.1 Project outcomes		S	S	S
2.2 Project sustainability	N/A	L	L	L
2.3 Monitoring		No rating	No rating	MS

and evaluation				
2.4 Quality of the evaluation report	N/A	N/A	S	S

Should this terminal evaluation report be considered a good practice? Why? No, because the M&E information was insufficient as discussed below under the M&E section and quality of the report. However, the description of project financing and co-financing, including description of expenditures and clear explanation of the reasons for the considerable increase in co-financing and decrease in GEF fund use (GEF funds still available at project closure) was excellent and should be emulated as a good practice.

3. PROJECT OBJECTIVES, EXPECTED AND ACTUAL OUTCOMES

3.1 Project Objectives

- **What are the Global Environmental Objectives? Any changes during implementation?**

The objective of the Lake Ohrid Conservation Project was to conserve and protect the natural resources and biodiversity of Lake Ohrid by developing and supporting an effective cooperation between Albania and Macedonia for the joint environmental management of the Lake Ohrid watershed. No changes, both the ICR (and IEG review) and the project document have the same objective and indicate that no changes took place.

- **What are the Development Objectives? Any changes during implementation?**

There were no explicit development objectives, rather there were components. These were:

A. Developing the institutional, legal and regulatory framework for environmental management in the Lake Ohrid watershed. (Cost at appraisal: US\$0.34 million; actual cost: US\$0.27 million) Establishment of lake watershed management institutions, review and revision of related policies and legal frameworks, strengthening of regulatory and enforcement capacity and extensive training.

B. Lake Ohrid monitoring program. (Cost at appraisal: US\$2.07 million; actual cost: US\$1.64 million) Establishing and operating an M&E system, institutional structure and processes for collection of M&E data.

C. Participatory watershed management program. (Cost at appraisal: US\$1.15 million; actual cost: US\$0.86 million) Mobilizing citizen groups in the watershed to create a strategic action plan

D. Public awareness and participation program. (Cost at appraisal: US\$0.25 million; actual cost: 0.23 million) Public outreach, information and participatory conservation activities, primarily using NGOs to create community interest and support.

The costs for the project implementation unit to coordinate project activities were: Cost at appraisal: US\$0.76 million; actual costs: US\$0.98 million)

3.2 Outcomes and Impacts

- **What were the major project outcomes and impacts as described in the TE?**

IEG indicates that the project substantially achieved the objective of setting in place an international legislation, institutions and processes for Albania's and Macedonia's joint management of the lake, a difficult endeavour. The ICR indicates that the agreement signed by both countries creates a legal structure to establish and enforce joint regulations, resolve transboundary disputes, and prioritize and coordinate management actions, including donor investments. The countries will also have an institutional framework in place for watershed management that will allow proactive implementation and compliance with the requirements of the EU Water Framework Directive. Since both countries are working towards ascendancy, this is especially important.

4. GEF OFFICE OF M&E ASSESSMENT

4.1 Outcomes and impacts

Rating: S

A Relevance
<ul style="list-style-type: none"> In retrospect, were the project's outcomes consistent with the focal areas/operational program strategies? Explain
<p>According to the TE, the project responded directly to national development and environmental agendas. During preparation, a Donor's Conference was held, and the needs and priorities identified as part of the conference have continued to guide investments and project activities. For example, the TE indicates that except for the sewerage treatment plant project for Pogradec, the infrastructure improvement needs outlined in the Donor's Conference hosted by the World Bank during project preparation have largely been achieved.</p> <p>IEG agrees that relevance was <i>High</i>. The project objective supported both Albania's and Macedonia's CAS objectives, which include sustainable development and environmental management. Lake Ohrid has one of Europe's largest biological reserves, including many endemic flora and fauna species. Because of its unique ecosystem, the lake was declared a UNESCO World Cultural and Natural Heritage Site in 1980. The lake is also culturally important to both countries and is a major tourist destination. The lake's ecosystem was under increasing threat due to pollution from surrounding towns, agricultural chemicals and industries. The project objective was thus very relevant, both environmentally and in economic and social terms. Project design was relevant to the overall objective of conserving the lake. Most importantly, there was recognition that conservation could only be done through a joint program involving both countries. Emphasis was appropriately put on establishing joint agreements, legislation and institutional structures for bilateral management. A second important thrust was to develop a highly participatory approach, informing and involving the public and all stakeholders. Also important, project design recognized and catered for economic development as well as conservation.</p> <p>The project components comprehensively supported the project objective.</p>
S
B Effectiveness
<ul style="list-style-type: none"> Are the project outcomes as described in the TE commensurable with the expected outcomes (as described in the project document) and the problems the project was intended to address (i.e. original or modified project objectives)?
<p>IEG indicates that effectiveness was substantial because the project has successfully launched a proactive international lake management program. Particularly significant achievements have been: (i) establishing a close working relationship for management of the lake between the two countries; (ii) establishing institutions to environmentally monitor and manage the lake (including the Lake Ohrid Watershed Committee, the Lake Ohrid Monitoring Task Force, and each country's Watershed Management Committee); (iii) preparation and signing/ratification of a treaty providing the legal framework for jointly managing the lake; (iv) preparation of a Transboundary Watershed Action Plan; (v) creating participatory implementation at grass-roots levels; and (vi) creating a high level of public awareness and support. However, IEG indicates that the monitoring component - 45% of project costs - was weakly implemented.</p>
S
C Efficiency (cost-effectiveness)
<ul style="list-style-type: none"> Include an assessment of outcomes and impacts in relation to inputs, costs, and implementation times based on the following questions: Was the project cost – effective? How does the cost-time Vs. outcomes compare to other similar projects? Was the project implementation delayed due to any bureaucratic, administrative or political problems and did that affect cost-effectiveness?
<p>IEG indicates that efficiency was substantial, because the project objectives were largely met at an overall project cost 85% of the appraisal estimate. Also, the project was highly effective in leveraging additional resources for environmental management. The ICR lists some 16 donor funded projects (ongoing, in preparation or completed) in the lake Ohrid basin (for sewage, water supply, solid waste management and other environmental activities), with a total value of about US\$75 million.</p>
S
Impacts

- **Has the project achieved impacts or is it likely that outcomes will lead to the expected impacts?** According to IEG, there were no project impacts discernible at this early stage

4.2 Likelihood of sustainability. Using the following sustainability criteria, include an assessment of sustainability of project outcomes and impacts based on the information presented in the TE.

Overall Sustainability rating	Rating: L
A Financial resources	Rating: L
There are low risks of financial not materializing as planned. TE indicates that in the early years of the project, the grants to the NGO sector were highly effective in generating interest and allowing a variety of public projects to be implemented. However, since the last grant session within the LOCP ended, there has been a decrease in NGO activities in the region. Nevertheless, some NGOs have already been successful in finding funding from other donors. There are currently 6-8 transboundary projects that are underway in the watershed. Finally, IEG indicates that the Bank (and government) catalyzed through the GEF project a substantial investment program.	
B Socio political	Rating: L
Risks to socio political sustainability are low. The TE indicates that a study of the impacts of the LOCP commissioned by the Albanian PIU in the final months of the project (Haxhimihali 2004) found that those who had been involved with the project want to continue to work towards the goals of the LOCP, and help implement even "more important projects of this kind that would open new perspectives for the development of this area." The TE also indicates that the Macedonian Ministry of the Environment and Territorial Planning has established a permanent office in Ohrid for the Lake Ohrid Conservation Project. The PIU Director will continue to administer this office and will lead efforts to continue to implement the LOCP. Similarly, the Albanian Ministry of Environment has also made the Pogradec PIU office and the field laboratory a permanent part of the Ministry. The PIU Director in Albania will also continue to administer the office and lead future efforts to continue to implement the LOCP. The TE indicates that the level of public awareness about Lake Ohrid and its problems in both countries is quite high, and public involvement in activities remains strong. Therefore, the TE opines that it is also likely that a strong public participation program will continue in both countries. In Macedonia, the Watershed Management Committee still meets and the members are committed to supporting the implementation of the priority action items in the Joint Watershed Action Plan. The priority actions in this plan have been officially endorsed by the Macedonian Government and the Ministry of Environment will provide for implementation as part of the government's action plan for watersheds. In Albania, the Watershed Management Committee is not currently meeting, but the members of the Committee have indicated their willingness and enthusiasm to continue their efforts as soon as the new Secretariat is established under the new bilateral treaty.	
C Institutional framework and governance	Rating: L
IEG indicates that a good institutional structure was set up, and the interests of both governments and the stakeholders are likely to enable continuation. The creation of a long-term institutional arrangement for the bilateral management of Lake Ohrid and its watershed with the signing of the treaty "Agreement for the Protection and Sustainable Development of Lake Ohrid and its Watershed" and its ratification by both the Albanian and the Macedonian Parliaments, the establishment of an international "Lake Ohrid Watershed Committee," the Lake Ohrid Monitoring Task Force, and the Watershed Management Committees reduce the risks to institutional sustainability. According to the TE, the Agreement for the Protection and Sustainable Development of Lake Ohrid and its Watershed creates a legal structure to establish and enforce joint regulations, resolve transboundary disputes, and prioritize and coordinate management actions, including donor investments. The countries will also have an institutional framework in place for watershed management that will allow proactive implementation and compliance with the requirements of the EU Water Framework Directive. Since both countries are working towards ascendancy, this is especially important to them.	
D Environmental	Rating: L

None foreseen

Provide only ratings for the sustainability of outcomes based on the information in the TE:

A	Financial resources	Rating: L
B	Socio political	Rating: L
C	Institutional framework and governance	Rating: L
D	Environmental	Rating: L

4.3 Catalysis and replication.

1. Production of a public good:

2. Demonstration: The TE indicates that throughout the project, an effort was made to share experiences, approaches, and lessons learned both across the border and throughout the region. A large number of documents describing the project and giving examples of successful activities were prepared and broadly disseminated in the region. Project staff participated in a number of training workshops and conferences both in the region and internationally. This participation resulted in acknowledgment of the LOCP as a model for successful transboundary watershed management by both the recent international "Lake Basin Management Initiative" and the countries of Southeastern Europe in a 2003 conference in Greece.

3. Replication: The TE indicates that lessons learned have also been shared with individuals currently preparing the Lake Shkoder Ecosystem Management project, also recently funded by the GEF. There has been regular communication between the technical experts working on Lake Ohrid and those working on Lake Shkoder, sharing experiences, approaches, and knowledge.

4. Scaling up: The TE indicates that the development of the manure platforms as a primary focus of implementation came directly out of shared experiences between Macedonians and Albanians. The two countries jointly retained the technical expert who helped design the platforms. The first demonstration round of implementation of these projects was so successful, and there was additional interest among farmers in the watershed that a second round of implementation was undertaken in both countries. IEG indicates that the Bank (and government) catalyzed through the GEF project a substantial investment program in the project initiatives.

4.4 Assessment of the project's monitoring and evaluation system based on the information in the TE

A. In retrospection, was the M&E plan at entry practicable and sufficient? (Sufficient and practical indicators were identified, timely baseline, targets were created, effective use of data collection, analysis systems including studies and reports, and practical organization and logistics in terms of what, who, when for the M&E activities) **Rating: MS**

IEG points out to several weaknesses in the M&E system, such as the lack of data reporting and the lake's baseline environmental indicators. The project's largest component was to establish and implement a monitoring program. This reflected the importance which was (appropriately) attached to M&E in the project's objectives. However, a key design weakness was that the performance indicators in the appraisal report were not systematically linked to the overall objective of the project, and in particular to the project outputs and project components. (The ICR, with a completely revised logframe, is better, but could also have been more explicitly linked with the project objective and components.) Also, performance indicators were sometimes general and unfocussed rather than specific.

IEG also indicates that M&E units were established in each project implementation unit, which were staffed and provided with necessary equipment, though some delays were encountered. Monitoring Task Forces were also established in each country. Cross country communication was good. However, the lack of focus referred to above was a problem. After the mid-term review, technical assistance was stepped up resulting in better focus and performance by the end of the project. Significant achievements were: (i) production of a State of the Environment Report, produced by both countries; and (ii) preparation of an analysis and recommendations (details not

specified in the ICR) for revising the M&E program. The recommendations are reported in the ICR to have been accepted by both Governments and are now being implemented. The TE indicates that the project has now put in place an environmental monitoring program that will be able to document improvements in water quality and environmental condition over time.
<p>B. Did the project M&E system operate throughout the project? How was M&E information used during the project? Did it allow for tracking of progress towards projects objectives? Did the project provide proper training for parties responsible for M&E activities to ensure data will continue to be collected and used after project closure?</p> <p style="text-align: right;">Rating: MS</p>
<p>IEG indicates that the ICR does not specifically discuss to what extent and how the M&E data was used, though the task team indicated that the data was used for the State of the Environment Report (technical), and that a data time series has been set up. The State of the Environment Report was the first time that environmental discussion and data on the lake, had been openly published. The report data was the basis for producing the Transboundary Watershed Action Plan. A regrettable gap in the ICR is that the baseline data obtained, and any initial time series, was not reported. Even if the project's environmental impact would hardly be discernible at this nascent stage, the presented data would have shown the beginnings of the time series and the kind of data being collected.</p> <p>The TE indicates that in both Macedonia and Albania, the transition to a sustainable, long-term monitoring program has been achieved, and both are likely to be sustainable over the long term. In both countries, the Lake Ohrid Monitoring Program has been incorporated into the National Monitoring Program and the equipment and experience gained through the LOCP will provide the core for these new national programs. In Macedonia, the recommendations for restructuring the monitoring program are being written into the agreements for monitoring of both Lake Ohrid and Lake Prespa, and a budget has been provided in 2005 for monitoring core parameters. In Albania, the administration of the Pogradec field laboratory developed by the LOCP will occur through the new Institute of Environment within the Ministry of Environment; although details are still being negotiated, technical direction for the program will continue to come through the staff at the Hydrometeorological Institute, who have implemented the program for the last several years and have a legal mandate for monitoring Albanian surface waters. Most of the new staff members that were trained under the LOCP in Albania will continue to be involved in the monitoring effort, and a budget for the program has been provided for 2005. In both countries, the Ministries are also committed to publishing the regular results of the monitoring program. The joint Monitoring Task Force has continued to meet and is currently working on revised and updated joint protocols for monitoring under each country's newly restructured programs.</p>
<p>C. Was M&E sufficiently budgeted and was it properly funded during implementation?</p> <p style="text-align: right;">Rating: S</p>
Yes as indicated in the costs tables in annex 2, where the estimated and actual financing are shown.
Can the project M&E system be considered a good practice? No

4.5 Lessons

Project lessons as described in the TE

<p>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?</p>
<p>According to IEG:</p> <p>There is a need to integrate M&E with performance indicators, objectives and components: The M&E system was designed with only limited connectivity with the project's objectives, outcomes, outputs and components. In this project performance indicators only partly provided a basis for measuring progress and project outcomes.</p> <p>Environmental management projects can offer investment leverage: The project, by establishing a water resources management framework, analytically and institutionally, defined evident needs and investment options. These drew other donors to invest in the Ohrid basin, and</p>

created the possibility for further investment.

Realistic assessment is needed in deciding project duration, scope and extensions: The project's objectives and achievement targets were ambitious, especially given the hurdles to be expected in a cross-national project. The initial four year project period was unrealistic. According to the ICR, time was required for the two countries to build mutual trust and cooperation, essential in a transboundary project such as this. Consequently, the project period was extended by 2 1/2 years (an initial extension of 18 months and two six month extensions), resulting in a 6 1/2 year project period overall. However. The short durations of the last two extensions created uncertainty and made planning more difficult. Rather than two six months extensions, a one year extension would have been better. Regarding staffing, Bank staff continuity is also considered to have helped.

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 the "Criteria for the assessment of the quality of terminal evaluation reports" in the document "Ratings for the achievement of objectives, sustainability of outcomes and impacts, quality of terminal evaluation reports and project M&E systems" for further definitions of the ratings.

4.6.1 Comments on the summary of project ratings and terminal evaluation findings
In some cases the GEF Evaluation Office may have independent information collected for example, through a field visit or independent evaluators working for the Office. If additional relevant independent information has been collected that affect the ratings of this project, included in this section. This can include information that may affect the assessment and ratings of sustainability, outcomes, project M&E systems, etc.
N/A

4.6.2 Quality of terminal evaluation report	Ratings
A. Does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives? Yes, it addressed all project outcomes in the context of the objectives and portrayed weaknesses such as M&E activities.	S
B. Is the report internally consistent, is the evidence complete/convincing and are the IA ratings substantiated? Aside from the M&E shortcoming, the report was consistent and provided sufficient evidence to substantiate the ratings.	S
C. Does the report properly assess project sustainability and /or a project exit strategy? Yes, and it includes a very good assessment of replication which provide a context for the project exit strategy.	HS
D. Are the lessons learned supported by the evidence presented and are they comprehensive? Yes	HS
E. Does the report include the actual project costs (total and per activity) and actual co-financing used? The TE presents an excellent assessment of actual project costs and per activity. The description of project financing and co-financing, including description of expenditures and clear explanation of the considerable increase in co-financing and decrease in GEF fund use (GEF funds still available at project closure) was excellent and should be emulated as a good practice. The TE indicates that financial controls were adequate and due diligence was provided in auditing and financial oversight. The timely flow of funds was a challenge at times because of the demands of the Kosovo refugee crisis, the internal security crisis in Macedonia, and the changes in government in both countries. This led to delays in project implementation and the need for three project extensions. Even with these extensions, the overly ambitious budget	HS

<p>developed for Macedonia at appraisal was not fully expended; at the end of the project, \$1.67 million of an available \$2.26 million award had been spent (about 75%). This project has been highly effective in leveraging additional resources to support the objectives of the project.</p>	
<p>F. Does the report present an assessment of project M&E systems? Yes. However, the ICR does not specifically discuss to what extent and how the M&E data was used and the baseline data obtained, and any initial time series, was not reported. Even if the project's environmental impact would hardly be discernible at this nascent stage, the presented data would have shown the beginnings of the time series and the kind of data being collected.</p>	<p>MS</p>

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.

<p>Yes: X</p>	<p>No:</p>
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Explain: It would be interesting to see in a couple of years whether the promising project outcomes actually resulted in tangible improvements in environmental quality at Lake Ohrid.

Is there a follow up issue mentioned in the TE such as corruption, reallocation of GEF funds, etc.? None mentioned

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

IEG evaluation summary, ICR, project document