GEF EO Terminal Evaluation Review Form

1. PROJECT DATA				
			Review date:	
GEF Project ID:	1646		at endorsement (Million US$)	at completion (Million US$)
IA/EA Project ID:	1926	**GEF financing:**	1.00	1.00
Project Name:	Cost Effective Energy Efficiency Measures in the Russian Educational Sector	IA/EA own:		
Country:	Russia	Government:	0.85	1.88
		Other*:	0.86	1.10
		Total Cofinancing	1.71	1.98
Operational Program:	OP5	**Total Project Cost:**	2.71	3.98
IA	UNDP	Dates		
Partners involved:	Ministry of Education of the Russian Federation	Work Program date		NA
		CEO Endorsement		June 10th 2002
		Effectiveness/ Prodoc Signature (i.e. date project began)		October 2002
		Closing Date	Proposed: Oct 2005	Actual: Sept 2006
Prepared by: Neeraj Negi	Reviewed by: Lee Risby	Duration between effectiveness date and original closing: 37 months	Duration between effectiveness date and actual closing: 48 months	Difference between original and actual closing: 11 months
Author of TE:	Grant Ballard-Tremeer and Elena Kuznetsova	TE completion date: Sept 14th 2006	TE submission date to GEF OME: Sept 14th 2006	Difference between TE completion and submission date: 0 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.

	Last PIR	IA Terminal Evaluation	Other IA evaluations if applicable (e.g. IEG)	GEF EO
2.1 Project outcomes	S	S	NA	MS
2.2 Project sustainability	**N/A**	NA	NA	ML
2.3 Monitoring and evaluation	**NA**	**S**	NA	MU
2.4 Quality of the evaluation report	**N/A**	**N/A**	NA	MS

Should this terminal evaluation report be considered a good practice? Why? No. The terminal evaluation report provides ratings on the key parameters of project performance. However, on few occasions the ratings given and the conclusions drawn in the terminal evaluation report are not consistent with the evidence presented.
Is there a follow up issue mentioned in the TE such as corruption, reallocation of GEF funds, etc.? No such issue has been 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 overall objective of the project is to "contribute to the abatement of greenhouse gas (GHG) emissions by improving the energy efficiency of Russian educational facilities".

The overall project objective listed in the terminal evaluation and in the PIR (2006) for the project is the same. Thus, there have been no changes in the overall objectives of the project.

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

According to the PAD the development objective of the project is to "develop replicable models for low-cost energy efficiency measures in both municipal secondary schools and Federal educational buildings (Universities, technical and vocational schools)".

The project development objective listed in the terminal evaluation and in the PIR (2006) for the project is the same. Thus, there have been no changes.

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 outcomes and impacts:

- Total emission reductions, from both the investment and the school education programme, of 4400 tonnes of CO_2 (equivalent) were achieved during the project period, which is 49% of the target for the three-year project period.
- The lifetime direct emission reductions are expected to exceed 44,000 tonnes over 20 years.

4. GEF EVALUATION OFFICE ASSESSMENT

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

A Relevance **Rating: S**

The project aims at reducing green house gas emissions by improving energy efficiency of Russian educational facilities. It focused on developing replicable models of low cost energy efficiency measures that could be implemented by a variety of educational facilities in Russia. This is consistent with the priorities of OP 5 where the aim is to remove barriers to energy efficiency and energy conservation.

B Effectiveness **Rating: MS**

According to the terminal evaluation project had following outcomes:

- Emission reductions of about 4400 tonnes of CO_2 (equivalent) were achieved during the project period, which is 49% of the target for the three-year project period.
- Models for municipal and federal institutions have been approved and adopted by relevant maintaining bodies and its implementation has been successfully demonstrated. However, the proposed financing approaches are poorly replicable.

According to the terminal evaluation report the project will lead to total emission reductions of about 60000 tonnes of CO_2 (equivalent) over its life time of 20 years (including about 16000 tonnes of CO2 emission reduction in savings through the school education program). This, however, seems to be an over estimate as the time horizon for the benefits is too long. It could be anticipated that since the overall trend is towards adoption of energy efficient technologies, had the GEF project not materialized, the new energy efficient technologies would have been adopted before the suggested time horizon of 20 years. More over the CO2 emission reduction estimated at the point of completion are lower than the 75,000 tonnes of CO2 (equivalent) emission reduction expected at the inception of the project.

C Efficiency (cost-effectiveness) **Rating: MU**

According to the terminal evaluation the cost effectiveness achievements appear to be fairly high. It estimates that during the 20 year life of the technology about 45,000 tons of CO2 emission reduction could be directly linked to GEF investments in demonstration activities. The analysis presented in the terminal evaluation does not take into account the incremental cofinancing invested in the demonstration activities and that the time horizon for the project benefits is not realistic (20 years is too long). Thus, cost estimates

for per tonne of CO2 emission reduced are a gross under estimate. Further, the project was completed with a one year delay and had achieved only 49% of the benefits expected at the end of the project at that time.

4.1.2 Impacts

Some impacts in terms of CO2 emissions reductions have been through demonstration activities have been reported. The project is also reported to have reduced CO2 emissions through its school education program.

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)

A Financial resources **Rating: ML**
According to the terminal evaluation the revolving funds that have been created under the project and savings made during project implementation will facilitate expansion of the energy efficiency initiatives to few other sites. Thus, risks to sustenance of present flow of benefits are low. However, in absence of legislative changes by the federal government it is unlikely that the revolving fund/saving mechanisms piloted in this project would be replicated to the extent expected at project inception.
B Socio political **Rating: L**
According to the terminal evaluation the federal ministry has sufficient interest to promote energy saving activities at schools and universities.
C Institutional framework and governance **Rating: ML**
According to the terminal evaluation the stakeholder ownership is high for the education component of the project and the outcomes and benefits of the project are likely to be sustained by enthusiastic teachers, pedagogical universities and education innovation centers. On the flip side, none of the municipalities have expressed interest in continuing with the revolving fund/ saving fund approach piloted by the project. Regulatory and legal frameworks still require attention for use of this approach at a wider scale.
D Environmental **Rating: L**
The terminal evaluation does not list any environmental risks.

4.3 Catalytic role

a. Production of a public good As per the information presented by the terminal evaluation, the project produced a public good in form of reduced GHG emissions.
b. Demonstration As per the information presented by the terminal evaluation, the technological efficacy of investments in energy efficiency and conservation initiatives was demonstrated to the school and municipal system.
c. Replication According to the terminal evaluation although the project aimed at facilitating replication of the financial models developed by it, this objective was not achieved as the government agencies do not seem to be interested in making the requisite financial investments and legislative changes to facilitate replication of energy efficiency and conservation activities at a wider scale.
d. Scaling up

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

A. M&E design at Entry **Rating (six point scale): MS**
A review of the M&E plan for the project included in the project appraisal document shows that the M&E plan had appropriate indicators and well defined targets. It details a project implementation plan and risks to achievement of expected outcomes. It seems that the risks pertaining to adoption of the new models and financial support for adoption by the federal government and municipalities were grossly underestimated.
B. M&E plan Implementation **Rating (six point scale): MU**
Based on the information presented in the terminal evaluation it seems that the results of the project have been tracked, which facilitated determination of the level of achievement of results. However, the terminal evaluation report informs that on other issues the M&E system seems to have lagged behind. Mid term evaluation was completed after a delay this allowed little time for corrective action. Further, recommendations of the mid term review were not addressed by the management subsequently.
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? Project M&E system was good in terms of tracking information that could be used as evaluative evidence. However, it does not appear to have been effective for the monitoring functions.

4.5 Lessons and Recommendations

Project lessons and recommendations as described in the TE

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 the project experience provides following lessons: • In most cases the creation of 'Public Boards' as a way to facilitate "involvement of stakeholders and public" were ineffective. Possible reasons for this failure include: - lack of local experience of working in consultative groups, - poorly defined functions; - lack of local buy-in at the Federal, Regional and Local levels, • Without local co-ordination to integrate the various sub-components of the project, it is difficult to maximise the possible benefits from addressing both education and investment in the same location. However, where there is some link, synergies can be significant. • Effective school education programmes on energy saving can have an impact in decision-making levels in schools and municipalities. • The Budgetary Code of the Russian Federation allows for the mechanism of targeted savings for reinvestment in energy saving. However there is no real incentive for municipal authorities to take the risk and uncertainty, and make the efforts required to set up such mechanisms unless they are passionate about energy saving in the first place. Policy changes are also required because political terms of office of local authorities are similar in length to repayment terms, thus increasing political risk. • Energy saving in municipalities, under the current Budgetary Codes, are most likely where the initial investments are large enough to provide savings in the first year large enough to make further investments from the end of the first year.
List (or if detailed summarize) the recommendations given in the terminal evaluation
The terminal evaluation reports lists following recommendations: • Analyze new financial instruments in addition to the revolving funds that was piloted in the project; • Build on the significant success of the educational component of the project – local educational authorities should be strongly encouraged to plan their budgets to support further training of teachers in energy saving; • Revolving can be considered as one of the possible tools for energy saving project financing but in absence of a legal basis they may not be effective. • Develop recommendations that may be taken up by the policy makers for developing a supportive budgetary code. • The SPARE competition, an NGO initiative on resource saving education for school children, should be expanded.

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	**Ratings**
A. Does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives? The report does contain an assessment. However, it does not question the time horizon chosen by the management to account for the carbon emission reductions and, therefore, ends up proving over estimates of the impacts.	4

B. Is the report internally consistent, is the evidence complete/convincing and are the IA ratings substantiated? Overall the report is consistent. However, there are sections where the conclusions drawn are not in line with the findings. For example the terminal evaluation informs that the achievement of reduction in carbon emissions by the end of the project period was 49% of the expected amount, however it then concludes that achievement was only slightly below expectations. In the section on M&E it reports serious concerns that the information provided by the M&E system was not being used by the management in adapting the project. However, it later gives a satisfactory rating to the project for its M&E without providing an explanation.	3
C. Does the report properly assess project sustainability and /or a project exit strategy?	4
D. Are the lessons learned supported by the evidence presented and are they comprehensive? Lessons are supported by the evidence presented but they are not comprehensive. Often the lessons are directed to the project management.	3
E. Does the report include the actual project costs (total and per activity) and actual co-financing used? The report does provide information on actual project costs and cofinancing mobilized. However, it is not detailed in per activity terms.	4
F. Does the report present an assessment of project M&E systems? Yes, an assessment of M&E systems has been presented. The focus in the assessment is primarily on adaptive management related issue. Issues pertaining how the information on chosen indicators was collected and maintained was not addressed.	4

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?
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?

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:** **X**	**No:**
Explain: This project is suitable for technical assessment as conclusions pertaining to effectiveness and efficiency are sensitive to the time horizon used to estimate benefits. A through technical analysis will allow the EO to check whether this key assumption and other parameters used for determining the benefits are reasonable.		

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

PIR 2006, PAD