

1. Project Data

GEF Project ID	2538
IA/EA Project ID	PMS GF/4040-05
Focal Area	Climate Change
Project Name	Assessment of Financial Risk Management Instruments for Renewable Energy Projects
Country/Countries	Global
Geographic Scope	Global
Lead IA/Other IA for joint projects	UNEP
Executing Agencies involved	UNEP DTIE
Involvement of NGO and CBO	Not involved
Involvement of Private Sector	Yes- Primary component
Operational Program or Strategic Priorities/Objectives	OP 6: Promoting the Adoption of Renewable Energy by Removing Barriers and Reducing Implementation Costs
TER Prepared by	Joshua Schneck
TER Peer Review by	Neeraj Kumar Negi
Author of TE	Bernt Frydenberg
Review Completion Date	
CEO Endorsement/Approval Date	2/24/2005
Project Implementation Start Date	4/1/2005
Expected Date of Project Completion (at start of implementation)	3/1/2007
Actual Date of Project Completion	12/1/2008
TE Completion Date	3/1/2012
IA Review Date	N/A
TE Submission Date	8/30/2012

2. Project Financing

Financing Source	At Endorsement (millions USD)	At Completion (millions USD)
GEF Project Preparation Grant	0.03	0.03
Co-financing for Project Preparation	0.02	
Total Project Prep Financing	0.05	0.03
GEF Financing	0.97	0.97
IA/EA own	0.09	
Government		
Other*	0.40	0.12
Total Project Financing	1.46	1.09
Total Financing including Prep	1.51	1.11

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

3. Summary of Project Ratings

Criteria	Final PIR	IA Terminal Evaluation	IA Evaluation Office Review	GEF Evaluation Office TE Review
Project Outcomes	S	MS	MS	MS
Sustainability of Outcomes	N/A	ML	ML	ML
Monitoring and Evaluation	S	MU	MU	MU
Quality of Implementation and Execution	N/A	MS	MS	MS
Quality of the Evaluation Report	N/A	N/A	HS	S

4. Project Objectives

4.1. Global Environmental Objectives of the project:

According to the Project Proposal document (ProDoc) submitted for CEO endorsement, the overall objective of the project is "to facilitate Green House Gas (GHG) emissions reductions by broader deployment of Renewable Energy Technology (RET) projects through improved availability of financial risk management instruments."

The project aims to mitigate the risk perception that investors have of renewable energy projects in developing and emerging countries by supporting and positively influencing the development of markets for renewable energy project risk management instruments.

No changes were reported to the global environmental objectives of the project in the Terminal Evaluation (TE) or Project Implementation Reports (PIRs).

4.2. Development Objectives of the project:

According to the ProDoc, the expected overall project outcome is "a better understanding of how the GEF (and other donors) may work with private sector and public risk management actors to address some of the barriers hindering RET deployment in developing countries through risk management."

The project logframe included in the ProDoc further defines the following two expected outcomes of the project:

(1) Raised awareness on "best practice methodologies for financial risk management for RET projects identified and increasingly adopted by GEF and other donors"; and

(2) Facilitate "greater engagement by private sector financial institutions in RET project risk management and financing in GEF eligible countries."

No changes in the Development Objectives were noted in the Terminal Evaluation or Project Implementation Reports.

4.3. *Changes in the Global Environmental Objectives, Development Objectives, or other activities:*

Criteria	Change?	Reason for Change
Global Environmental Objectives	No	
Development Objectives	No	
Project Components	No	
Other activities	Yes	The scope of the project activities were reduced due to a lack of progress

Substantial delays in project execution led to a smaller number of studies being undertaken than called for in the ProDoc.

5. GEF EO Assessment of Outcomes and Sustainability

5.1. Relevance – Satisfactory

The project focused on increasing understanding among the GEF and other donors about best practices for managing risks associated with the development and deployment of renewable energy technologies. It also served to engage the private sector insurance community in the development of new financial risk management tools for developing renewable energy technology in developing and emerging economies. As such, the work is highly relevant to the climate change focal area of the GEF, in particular OP 6 - Promoting the Adoption of Renewable Energy by Removing Barriers and Reducing Implementation Costs. The perceived risks for implementing and operating renewable energy technologies (RET) and the lack of available financial risk mitigation instruments, particularly in developing countries, has been identified by UNEP and other organizations as a key barrier to the development of more RET projects (TE, pg 7 and ProDoc, pg 4). Moreover, a 2002 UNEP project testing a loan guarantee program for solar home systems in India showed that such risk mitigation tools can be effective in facilitating larger commitments of private capital to RET projects (TE, pg 8). At the time of the TE (2011), 429 GEF projects had been approved within the Climate Change focal category since the start of this project (2005), including "several which could benefit from the findings of the research study under assessment." (TE, pg 24).

5.2. Effectiveness – Moderately Satisfactory

According to the terminal evaluation, the project has not yet achieved any high-level results or long-term impacts. Specifically, it has not led to a broader deployment of renewable energy technology through the increased availability of financial risk management tools. However, there is evidence indicating that short-term project outcomes have been largely met, and that project outputs provide a strong foundation to build upon, as called for in the project proposal:

As assessed in the terminal evaluation and final PIR, all project outputs contain multi-purpose information relevant to the international donor community (both multi-lateral and bi-lateral development agencies), export-credit agencies, insurance brokers, insurance companies, re-insurance companies, investors, and commercial banks. Moreover, feedback received from a final roundtable in October 2008 confirmed the high quality of the studies. Studies were complemented by numerous efforts by the Project Manager (PM) to increase awareness of the

project's products, through workshops, roundtables, and meetings with stakeholders. In addition, an internet platform (www.insurance4renewables.com) for marketing insurance for renewables was set up in collaboration with private sector firms RSA Insurance Group, Munich Re and Carbon Re. The platform has led (at the time of the TE) to more than 140 requests for project risk management assistance but none that culminated in any insurance business transactions. Thus it appears that the project was successful in both increasing awareness among the donor community of best practices for financial risk management of renewable energy technology, and in facilitating greater engagement of the private sector in developing new risk management tools.

Other evidence (TE, pg 25) supporting the assessment that relevant donor knowledge on financial risk management was increased and private sector engagement was facilitated by this project include:

- * The project contributed to an initiative by Paris Re and MARSH aimed at establishing an insurance market for renewable energy.
- * A new index-based product was designed to provide coverage against the lack of sufficient wind power generation.
- * German government-owned KfW is reported to have used one of the working group reports to assess geothermal project development risks.
- * Outputs from one of the working groups informed the financing strategy of a solar heating project Tunisia (no further information given in the TE or PIRs on this).
- * According to the TE the Project Manager's presentation of project outputs to the Renewable Energy & Energy Efficiency Partnership in India had an influence on that groups development of Solar Home System projects.

The project appears to have been highly successful in engaging the private insurance community. The CEO of Carbon Re, in conjunction with the PM, developed a training kit, not called for in the ProDoc, but considered very useful in disseminating the knowledge developed by project working groups to industry stakeholders. (TE, pg 39).

5.3. *Efficiency* – **Moderately Successful**

The project was completed after a delay of nearly two years. This included a six-month delay for the completion of the background study; delays associated with the hiring of a new project manager; and delays in completing two of three workgroup outputs. According to the TE, failure to complete the two working group outputs in time limited the intended scope, depth, and effectiveness of the mid-project consultative meeting, where feasibility studies of promising financial risk management instruments were developed (TE, pg 21).

According to the TE, the project initially suffered from a lack of clear project management responsibilities, with the project manager insufficiency strong to provide the needed supervision to keep the project on track (TE, pg 26 & 33). In addition, excessive expenditures were incurred as a result of decisions to hire as consultants specialists such as lawyers, bankers, insurance underwriters and risk assessors. The project could only stay within the planned budget by reducing the number of planned workgroups (from 4-6 to 3) and feasibility studies (from 5-10 to 4).

The assignment of a new project manager in June 2007 appears to have been successful in getting the project back on track and efficiently managing the project to its completion (TE, pg 26). Particularly effective was the decision to assign feasibility studies through a call for tenders, and a decision to reallocate funding for travel to the production of a training kit for the insurance of renewable energy projects, as recommended by the stakeholder advisory group.

5.4. *Sustainability* – **Low/Moderate Risks**

The sustainability of project outcomes can be assessed on two levels. The first is through a macro-economic and climate policy lens. As the TE notes, recent analysis of world energy prices, as in the World Energy Outlook 2011, point to a continuing rise in fossil fuel prices. While the outlook for a more substantial carbon price remains in doubt over the near- to medium-term, the overall trend is for increased demand for renewable energy over time. As such the demand for financial risk management tools - which this project's outputs aim to facilitate - can be expected to rise over time as well.

More significant risks to project sustainability concern:

- (1) whether there is sufficient interest on the part of UNEP, GEF, and other development stakeholders in building upon project outputs and continuing to make them available; and
- (2) whether there is sufficient interest among the private insurance community to build upon the engagement and initiatives fostered as a result of this project.

Regarding the first point, project outputs are currently available on UNEP's website (<http://www.unep.org/climatechange/finance/RiskManagement/FinancialRiskManagement/tabid/29570/Default.aspx>), although none of the links were working at the time this review was prepared (1/8/2013). A proposal for a follow-up project building on the work of this project was drafted and approved by the GEF CEO, but ultimately not funded. TE states more preparatory work is needed before a follow-on project would make sense (TE, pg 29).

Regarding the second point, private sector insurance companies certainly have sufficient financial resources available should they wish to commit to developing and marketing new financial risk management tools. Of more concern is, given the recent crash in CDM prices and the continued uncertainty regarding near- and mid-term international climate policy, private

sector firms would seem to be reluctant to devote many resources to the development of products where market demand is not yet sufficient to provide a strong return on investment. The IT platform established by private sector partners in conjunction with the project's PM (www.insurance4renewables.com) is no longer active. The GEF EO reviewer is unable to assess whether the alliance of insurance companies dealing with renewable energy, that the TE lists as an outcome of this project (TE, pg 5), is still in existence.

Overall, the risks to sustainability are low/moderate.

6. Processes and factors affecting attainment of project outcomes

6.1. Co-financing

6.1.1. To what extent was the reported co-financing essential to the achievement of GEF objectives? Were components supported by co-financing well integrated into the project?

Final financial forms were requested by the TE but never delivered. Realized co-financing of \$120,000 as of June 2007 (1.5 years prior to project completion) is 23% of planned co-financing but final realized total is impossible to assess from the TE and PIRs. Co-financing was to be primarily in-kind or covering travel expenditures. TE notes that a decision was made late in the project to allocate travel budget towards the production of a training kit for the insurance of renewable energy projects, as recommended by the stakeholder advisory group. If total realized co-financing were as low as the numbers from the 2007 PIR, that would explain in part the decision to pare back the number of studies undertaken for this project. TE does mention that project budget was very low for the number of expected outputs, however, no mention of any limitations from realized co-financing is included.

6.1.2. 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? If it did, then in what ways and through what causal linkages?

Unable to assess (see above).

6.2. Delays

6.2.1. If there were delays in project implementation and completion, then what were the reasons for it? Did the delay affect the project's outcomes and/or sustainability? If it did, then in what ways and through what causal linkages?

The project was completed after a delay of nearly two years. This included a six-month delay for the completion of the background study; delays associated with the hiring of a new project manager; and delays in completing two of three workgroup outputs. According to the TE, a lack of clear project management responsibilities at the beginning of the project, combined with the involvement of many stakeholders was in part

responsible for project delays (TE, pg 26). The first project manager assigned to this project was apparently not strong enough to efficiently manage the project, particularly the task of delegating project responsibilities to consultants. As the TE notes, the first PM "...was managed by the project and not vice versa, with significant conflicts raised." (TE, pg 33).

However, not all delays can be attributable to lack of performance on the part of the first PM. It is the assessment of the TE that project objectives and components were not practical within the project's timeframe or budget. The GEF's Scientific and Technical Advisory Panel (STAP) had previously commented in the project design stage that the project's scope should be narrowed (TE, pg 23), but this advice was apparently not heeded. The project was only completed after working groups were cut from 4-5 to 3 and feasibility studies from 5-10 to 4.

Assignment of a new project manager in June 2007 was successful in getting the project back on track. Delays did not affect project outcomes or sustainability to any significant degree.

6.3. Country ownership

6.3.1. Assess the extent to which country ownership has affected project outcomes and sustainability? Describe the ways in which it affected outcomes and sustainability, highlighting the causal links:

This project is a global research project and not country-specific. While feasibility studies did examine the practicality of implementing specific financial risk management instruments in three countries: Mexico, China, and India, the studies were not dependent in any way upon a partnership or consultation with these countries. The question of country ownership is therefore not relevant to this project.

7. Assessment of project's Monitoring and Evaluation system

7.1. *M&E design at entry* – **Moderately Unsatisfactory**

M&E design of the project was limited in the following ways: (1) the project is a targeted research program with findings that may be applied worldwide. However, a global baseline study on the extent to which financial risk mitigation instruments are applied or available is not included in the project's M&E plan. (2) A separate budget line for M&E is not provided in the project budget. (3) A timetable for monitoring and evaluation of activities outside of the project's PIRs is not included. That is, there is not timetable for implementing the "survey of GEF Implementing Agencies on how they have been able to use the recommendations of this project," or obtaining the "acknowledgement by STAP of project recommendations," and other verifiers listed in the ProDoc logframe. (4) TE states that indicators of project success should have been designed at a lower level. So while increased RET uptake in developed countries is an overall long-term objective, indicators tracking more intermediate outcomes, such as

development and availability of new financial risk mitigation instruments identified by the project's research should have been included as well.

7.2. *M&E implementation* – **Moderately Unsatisfactory**

M&E was the responsibility of the project's implementing agency, UNEP. The project's PIRs, which were the principle vehicle for tracking project activities, were of "outstanding quality," (TE, pg 37) providing a clear picture of the project's success in delivering planned outputs. However, project monitoring and evaluation stopped at the project's activities. No effort appears to have been made to monitor achievement of the project's results. The planned "survey of GEF Implementing Agencies on how they have been able to use the recommendations of this project in design of other GEF projects in the climate change focal area and their other relevant work program," called for in the ProDoc, was never carried out. Nor were efforts made to verify the other two outcomes of the project: acceptance of recommendations of the report by STAP, GEF and other stakeholders; and identification of opportunities for development and application of recommended risk management instruments. The overall assessment of M&E implementation is therefore Moderately Unsatisfactory.

8. **Assessment of project's Quality of Implementation and Execution**

8.1. *Overall Quality of Implementation and Execution* – **Moderately Satisfactory**

8.2. *Overall Quality of Implementation*- **Moderately Satisfactory**

Project's budget was very low for the number of planned studies (TE, pg 35). Design of project M&E was also a limiting factor, as ProDoc lacked a baseline study, a budget for M&E, and more useful indicators of project outcomes (see M&E section above).

However, UNEP exercised its supervisory duties well. When the project was clearly off track, UNEP encouraged the hiring of a new project manager, which was successful in putting the project back on track. The project was also restructured to make better use of the available resources given that they would have been insufficient in delivering the original set of expected results.

8.3. *Overall Quality of Execution* - **Moderately Satisfactory**

Project management experienced issues of poor coordination at the project start, as well as inefficient use of project resources. This includes decisions to hire high-priced consultants (lawyers, bankers, etc.) where less-costly project consultants would have sufficed (TE, pg 26 & 38). Failure to exercise adequate management led to project delays and limited the effectiveness of the mid-project roundtable, as only 1 of the expected 3 studies was available for a full discussion.

Project management was significantly improved with the appointment of a new project manager in June 2007. the new project manager made efficient use of limited project funds,

scaled back the project outputs but not at the expense of quality of outputs, used a tender process to award contracts for feasibility studies that is judged by the TE to have been a success, and worked with stakeholders to produce a valuable output (training kit) not called for in the ProDoc but suggested by the CEO of Carbon RE - one of the largest insurance companies and a project collaborator. As such, the project demonstrated good adaptive management.

Significant shortcomings include the failure to implement M&E activities outside of PIRs covering project outputs, as called for in the project's ProDoc, and the failure to provide more complete financial reports, as requested by the TE (TE, pg 33).

9. Quality of the Terminal Evaluation Report

Criteria	Rating	GEF EO Comments
To what extent does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives?	Satisfactory	TE provides a very clear assessment of the relative outcomes and impacts of the project, and achievement of project objectives. This includes pointing out the limitations in M&E that would have allowed for a more complete assessment of these outcomes.
To what extent does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives?	Satisfactory	Report provides a clear narrative of project performance, as well as clear and concise summary of project reports which were of a highly technical nature. Evaluation is balanced and fair in its assessment of project performance.
To what extent does the report properly assess project sustainability and/or project exit strategy?	Satisfactory	TE makes a convincing and clear case of factors affecting project sustainability, including macro-economic factors and climate policy. TE makes clear the need for continued use of project outputs to ensure sustainability of project outcomes, and need for follow-up project.
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	Satisfactory	Lessons clearly follow from the narrative of the report and are consistent with the evidence presented throughout. More detail on the suitability of FRMIs to country context and size of project would have been helpful in providing a clearer understanding of the point being made in the TE.
Does the report include the actual project costs (total and per activity) and actual co-financing used?	Unsatisfactory	The major shortcoming of the TE is the failure to provide a comprehensive assessment of project expenditures and realized co-financing. TE mentions that evaluator requested final financial reports but these were not delivered.
Assess the quality of the report's evaluation of project M&E systems:	Satisfactory	Report clearly describes limitations of both M&E design and implementation included a convincing assessment of the need for more near-term indicators of project success. TE clearly highlights lack of M&E budgeting and failure to implement M&E plan called for in ProDoc.

10. Other issues to follow up on

A full accounting of co-financing realized and actual GEF expenditures is needed. Such information was not provided in the TE or final PIR.

11. Sources of information

Annex I – Project Impacts as assessed by the GEF Evaluation Office

Did the project have outputs contributing to knowledge being generated or improved?

Yes

WHAT OUTPUTS CONTRIBUTED TO KNOWLEDGE BEING GENERATED OR IMPROVED?

- * Background report assessing risks associated with financing of renewable energy technology and tools available for mitigating risk;
- * Three reports providing more detailed analysis of risk management instruments in the following areas: Large Scale Renewable Energy Technologies; Small Scale Renewable Energy Risk Mitigation; and Financial Risk Management Instruments for Geothermal Energy Development Projects;
- * Consolidated Sept. 2007 summary report on best practices for financial risk mitigation as identified by study's three working groups and background paper;
- * Four feasibility studies examining the potential for using identified risk management instruments in GEF eligible countries: Wind Power Derivative for Large Scale Wind Farm projects in Mexico; Renewable Energy Insurance Facility for Wind Farm projects in China; a Global Renewable Energy Insurance Facility for Large and Medium Scale Renewable Energy projects; and Insurance Solutions for Small Scale Biomass Power projects in India.
- * A training kit on insurance risk management for different types of RET projects.

Is there evidence that the knowledge was used for management/ governance?

No

HOW WAS THIS KNOWLEDGE USED AND WHAT RESULTED FROM THAT USE?

Did the project have outputs contributing to the development of databases and information-sharing arrangements?

Yes

WHAT OUTPUTS CONTRIBUTED TO INFORMATION BEING COMPILED AND MADE ACCESSIBLE TO MANY?

Project outputs are hosted on UNEP's website at <http://www.unep.org/climatechange/finance/RiskManagement/FinancialRiskManagement/tabid/29570/Default.aspx>

Is there evidence that these outputs were used?

Yes

TO WHAT EXTENT HAVE THESE OUTPUTS BEEN USED?

WHAT HAS RESULTED FROM INFORMATION BEING MADE ACCESSIBLE TO OTHERS?

As reported in the TE (TE, pg 25) and final PIR:

- * The project contributed to an initiative by Paris Re and MARSH aimed at establishing an insurance market for renewable energy.
- * A new index-based project was designed by insurers Paris RE and MARSH Finances to provide coverage against the lack of sufficient wind power generation.
- * German government-owned KfW is reported to have used one of the working group reports to assess geothermal project development risks.
- * Outputs from one of the working groups informed the financing strategy of a solar heating project Tunisia (no further information provided in the TE).
- * TE states that the Project Manager's presentation of project outputs to the Renewable Energy & Energy Efficiency Partnership in India had an influence on that group's development of Solar Home System projects.

Did the project have activities that contributed to awareness and knowledge being raised?

Yes

WHAT ACTIVITIES CONTRIBUTED TO AWARENESS AND KNOWLEDGE BEING RAISED?

- * Targeted research on financial risk management of renewable energy technology.
- * Presentation by the PM of the findings of one of the workgroups to an NGO focused on renewables, the "Renewable Energy and Energy Efficiency Partnership."
- * March 2008 international roundtable at project's conclusion which saw the participation of 51 stakeholders including leading market players and public development sector representatives.

Was any **positive** change in behavior reported as a result of these activities?

No

WHAT BEHAVIOR (POSITIVE OR NEGATIVE) HAS CHANGED AS A RESULT?

Did the project activities contribute to building technical/environmental management skills?

No

WHAT ACTIVITIES CONTRIBUTED TO **TECHNICAL/ENVIRONMENTAL MANAGEMENT SKILLS** BEING BUILT OR IMPROVED?

Is there evidence of these skills being applied by people trained?

No

HOW HAVE THESE SKILLS BEEN APPLIED BY THE PEOPLE TRAINED?

Did the project contribute to the development of legal / policy / regulatory frameworks?

No

Were these adopted?

NA

WHAT LAWS/ POLICIES/ RULES WERE ADOPTED AS A RESULT OF THE PROJECT?

Did **scaling-up** of the promoted approaches and technologies take place?

SPECIFY AT WHAT ADMINISTRATIVE & ECOLOGICAL SCALE AND WHICH TECHNOLOGIES/APPROACHES OR ASPECTS OF A TECHNOLOGY/APPROACH WAS ADOPTED.

HOW WAS IT MODIFIED TO FIT THE NEW SCALE? WHAT WAS THE RESULT AT THE NEW SCALE/S (ENVIRONMENTAL & SOCIOECONOMIC)?

Did **mainstreaming** of the promoted approaches and technologies take place?

SPECIFY HOW (MEANS/ INSTRUMENT) AND WHICH ASPECTS OF THE TECHNOLOGY/APPROACH WAS INCORPORATED INTO THE EXISTING SYSTEM. WHAT WAS THE RESULT OR STATUS (ENVIRONMENTAL & SOCIOECONOMIC)?

Did **removal of market barriers** and sustainable market change take place?

SPECIFY HOW DEMAND HAS BEEN CREATED FOR WHICH PRODUCTS/ SERVICES THAT CONTRIBUTE TO GEBs.

Based on most of the project's components and/or what it generally intended to do, what type of project would you say this is?

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If "combination", then of which types?

&

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*QUANTITATIVE OR ANECDOTAL DETAILS ON HOW ENVIRONMENTAL **PRESSURE HAS BEEN REDUCED/PREVENTED** OR ON HOW ENVIRONMENTAL **STATUS HAS CHANGED** AT THE DEMONSTRATION SITES AS A CONTRIBUTION/RESULT OF PROJECT ACTIVITIES. FOR SYSTEM LEVEL CHANGES, SPECIFY THE ADMINISTRATIVE AND/OR ECOLOGICAL SCALES.*

Was stress reduction achieved?

If so, at what scales?

Please mark 'x' for all that apply

Local

Intended (local)

Unintended (local)

Systemic

Intended (systemic)

Unintended (systemic)

How was the information obtained?

Measured

Anecdotal

Was there a change in environmental status?

 No

If so, at what scales?

Please mark 'x' for all that apply

Local

Intended (local)

Unintended (local)

Systemic

Intended (systemic)

Unintended (systemic)

How was the information obtained?

Measured

Anecdotal

Evidence of intended stress reduction achieved at the **local level**

Evidence of intended stress reduction at a **systemic level**

Evidence of intended changes in environmental status at the **local level**

Evidence of intended changes in environmental status at a **systemic level**

Evidence of unintended changes in stress or environmental status at the **local level**

Evidence of unintended changes in stress or environmental status at the **systemic level**

Were arrangements to collect data on stress reduction and environmental & socioeconomic status in place during the project?

Environmental

 No

Socioeconomic

 No

To what extent were arrangements in place and being implemented during the project? Briefly describe arrangements.

To what extent did these arrangements use parameters/ indicators to measure changes that are actually related to what the project was trying to achieve?

Were arrangements to collect data on stress reduction and environmental & socioeconomic status in place to function after the project?

To what extent were arrangements put into place to function after GEF support had ended? Briefly describe arrangements.

Was there a government body/ other permanent organization with a clear mandate and budget to monitor environmental and/or socioeconomic status?

Has the monitoring data been used for management?

How has the data been used for management? Describe mechanisms and actual instances.

Has the data been made accessible to the public?

How has the data been made accessible to the public? Describe reporting systems or methods.

“SOCIOECONOMIC” REFERS TO ACCESS TO & USE OF RESOURCES (DISTRIBUTION OF BENEFITS), LIVELIHOOD, INCOME, FOOD SECURITY, HOME, HEALTH, SAFETY, RELATIONSHIPS, AND OTHER ASPECTS OF HUMAN WELL-BEING .AS MUCH AS POSSIBLE, INCLUDE “BEFORE” AND “AFTER” NUMBERS, YEARS WHEN DATA WAS COLLECTED, AND DATA SOURCES.

Did the project contribute to **positive** socioeconomic impacts?

If so, at what scales?

Please mark 'x' for all that apply

Local

Intended (local)

Unintended (local)

Systemic

Intended (systemic)

Unintended (systemic)

How was the information obtained?

Measured

Anecdotal

Did the project contribute to **negative** socioeconomic impacts?

Briefly describe the key lessons, good practice or approaches mentioned in the terminal evaluation report

The following is a summary of the lessons learned listed in the terminal evaluation report:

- * The market for financial risk mitigation instruments (FRMIs) is characterized by a lack of underwriting expertise and skill in the insurance industry, particularly in product development, actuarial skills, and engineering sectors. Increased awareness and innovative marketing mechanisms will be required for FRMIs to see increased up take.
- * Suitability of FRMIs is country- and context-dependent, and varies on the size of the project being considered, and whether or not development occurs in emerging or developing countries.
- * Project management for this kind of extensive and dispersed research project needs to have strong management control, and be in close contact with project participants.
- * A clear strategy for the involvement of stakeholders needs to occur at project outset. Failure to include relevant stakeholders can lead to an "academic" project with little real-world applicability.
- * A clear plan for communication between working groups needs to be established and adhered to if high quality targeted results are to be achieved in time.

Briefly describe the recommendations given in the terminal evaluation

The following recommendations are provided in the terminal evaluation:

- * Continuity of this project is crucial and should be prioritized by UNEP.
- * Evaluator recommends continued use of project outputs by UNEP and GEF in future project design, and in assisting in the formulation of FRMIs in NAMAs.
- * UNEP FI web-site should be upgraded, revised, and its use promoted among donors and other stakeholders. The website should include the training kit, as well as all the reports produced on the subject by UNEP DTIE and STAP, and links to other full product examples of both insurance and on non-insurance FRMIs, such as the Solar Home System for Karnataka State. The influence of the training kit and other related products will fade away if they remain unused or unknown.
- * Evaluator recommends continued operation of the insurance4renewables IT platform operated by Munich RE and other insurance companies.