1. Project Data

Summary project data			
GEF project ID		3535	
GEF Agency project ID		41345- Project Implementation; 41343- Regulatory Assistance; 41341- Strategic Environmental Review	
GEF Replenishment Phase		GEF-4	
Lead GEF Agency (include all for joint projects)		European Bank for Reconstruction and Development (EBRD)	
Project name		Creating Markets for Renewable Power in Ukraine	
Country/Countries		Ukraine	
Region		ECA	
Focal area		Climate Change	
Operational Program or Strategic Priorities/Objectives		SP-3 and SP-4	
Executing agencies involved		Consultants Fichtner and IMEPOWER executed the PIU; Fichtner also executed Component 2; AF-Mercados EMI, Exergia, Ramboll, and Metropoliya MC executed Component 1a; Black & Veatch, Ecoline, and EcoSocial Solutions executed Component 1b[1]	
NGOs/CBOs involvement		Not mentioned	
Private sector involvement		Clean Technology Fund (CTF): co-financer	
CEO Endorsement (FSP) /Approval date (MSP)		January 14, 2010	
Effectiveness date / project start		March 23, 2010	
Expected date of project completion (at start)		February 28, 2015	
Actual date of project completion		June 30, 2017	
Project Financing			
		At Endorsement (US $M)	**At Completion (US $M)**
Project Preparation Grant	GEF funding	.13	.13
	Co-financing	.28	.76
GEF Project Grant		8.45	8.45
Co-financing[2]	IA own	Not available	76.5
	Government	Not Available	
	Other multi- /bi-laterals	Not Available	
	Private sector	Not Available	30
	NGOs/CSOs	Not Available	
Total GEF funding		8.58	8.58
Total Co-financing		81.8	106.5
Total project funding (GEF grant(s) + co-financing)		90.38	115.08
Terminal evaluation/review information			
TE completion date		January 16, 2018	
Author of TE		Greenstream and IDEAS for Energy (subcontractor)	
TER completion date		December 17, 2019	
TER prepared by		Laura Nissley	

[1] TE pg. 12.

[2] Disaggregated information on co-financing at endorsement was not available. The Midterm Review does note that both the implementing agency, EBRD, and CTF provided co-financing (pg. 10)

TER peer review by (if GEF IEO review)	Molly Sohn

2. Summary of Project Ratings

Criteria	Final PIR	IA Terminal Evaluation	IA Evaluation Office Review	GEF IEO Review
Project Outcomes	HS	UA[3]	--	S
Sustainability of Outcomes	--	S[4]	--	ML
M&E Design	--	UA	--	U
M&E Implementation	--	S	--	MU
Quality of Implementation	--	HS	--	MS
Quality of Execution	--	S	--	MS
Quality of the Terminal Evaluation Report	--	--	--	MS

3. Project Objectives

3.1 Global Environmental Objectives of the project:

The Global Environmental Objective of the project was to reduce an estimated direct emission of "7 million tonnes of CO_{2eq} over the investment lifetime from 90MW of additional installed capacity" (TE pg. 5).

3.2 Development Objectives of the project:

The Development Objective of the project was to "address policy, finance, business, and information barriers to renewable energy market developments in Ukraine resulting in estimated direct emission reductions of 7 million tonnes of CO_{2eq} over the investment lifetime from 90MW of additional installed capacity" (TE pg. 5).

3.3 Were there any **changes** in the Global Environmental Objectives, Development Objectives, or other activities during implementation?

There were no changes to the objectives or activities during implementation.

[3] The TE does not provide overall relevance, effectiveness, and efficiency ratings.
[4] The IA TE used a different scale for sustainability.

4. GEF IEO assessment of Outcomes and Sustainability

Please refer to the GEF Terminal Evaluation Review Guidelines for detail on the criteria for ratings.

Relevance can receive either a Satisfactory or Unsatisfactory rating. For Effectiveness and Cost efficiency, a six point rating scale is used (Highly Satisfactory to Highly Unsatisfactory), or Unable to Assess. Sustainability ratings are assessed on a four-point scale: Likely=no or negligible risk; Moderately Likely=low risk; Moderately Unlikely=substantial risks; Unlikely=high risk. In assessing a Sustainability rating please note if, and to what degree, sustainability of project outcomes is threatened by financial, sociopolitical, institutional/governance, or environmental factors.

Please justify ratings in the space below each box.

4.1 **Relevance**	Rating: **Satisfactory**

The TE does not provide a rating for relevance, however this TER provides a rating of **Satisfactory**. The project is consistent with GEF-4 Strategic Program 3, *Promoting Market Approaches for Renewable Energy*. The Project Identification Form (PIF) also notes that the project contributes to GEF-4 Strategic Program 4, *Promoting Sustainable Energy Production from Biomass* (pg. 4).

The PIF also notes that the project is consistent with Ukraine's priorities, especially the "New Energy Strategy of Ukraine to 2030." The Strategy aims to quadruple the use of renewable energy by 2030, particularly in the areas of biomass, solar energy, coalbed methane, and low-potential heat. Additionally, the project builds upon existing draft legislation supporting renewable energy, including green energy tariffs. At the time of the project design, the Ukrainian government had also signed a Memorandum of Understanding with the European Union to cooperate in developing alternative sources of energy (PIF pg. 4).

4.2 **Effectiveness**	Rating: **Satisfactory**

Although the TE does not provide an overall effectiveness rating, it does rate each component as **Highly Satisfactory**. The project was designed to be the technical assistance component to the Ukrainian Sustainable Energy Lending Facility (USELF), which provides development support and debt finance to renewable energy projects (TE pg. 5). Specifically, the project's objective was to remove policy, finance, business, and information barriers to renewable energy market developments in Ukraine. By project end, it was expected that (1) the legislative and regulatory environment would improve, (2) new renewable power generation capacity would be installed, (3) capacities of developers would increase, and (4) long-term financial facilities for renewable energy projects would be established (TE pg. 13).

The project achieved its expected outcomes with minor shortcomings, and therefore this TER provides an effectiveness rating of **Satisfactory**. Additionally, the project managed to reduce 5.67 million tonnes

of total CO_{2eq} emissions over a 20-year lifetime (80% of its target), despite an unstable national environment (TE pg. 46).

A summary of the project's achievements, by component, is provided below:

- **Component 1: Legislation, Regulation, and Procedures**
  Expected results under this component included: (1) renewable energy sources law revised to remove deviations from good international practice, (2) effective feed-in tariff methodologies and procedures approved by the National Energy Regulatory Commission (NERC), (3) detailed technical and operational procedures for assessment and approval of renewable energy projects by distribution companies adopted and effected, (4) streamlined procedures for permitting of renewable energy projects adopted, and (5): capacity of NERC and Wholesale Electricity Market (WEM) to facilitate renewable energy investments increased, and (6) Strategic Environmental Reviews (SERs) completed and approved by authorities. The TE notes that by project end all of these results were achieved (pg. 49). It should be noted however, that a baseline measuring the capacity of NERC and WEM to facilitate renewable energy investments was never established, so this result is difficult to measure.

- **Component 2: Commercial and Market Development**
  Expected results under this component included: (1) average "renewable energy capacity score" would quadruple, (2) targeted information would be available to investors, and (3) increased number of firms reached through marketing for investments in renewable energy projects. By project end, materials from the training workshops were available to investors on the project's website. Additionally, the project reached over 100 firms through marketing, exceeding its target of 20. However, a baseline for capacity of investors and project developers (or "renewable energy capacity score") was never established and reporting under this component was weak, making it difficult to measure changes over the project's lifetime (TE pg. 49).

- **Component 3: Financial Facilitation**
  Expected results under this component included: (1) at least 10 projects financed and connected to the grid, (2) at least 75% of projects financed on limited recourse basis, (3) commercial finance attracted to cover at least 20% of the total borrowing under the facility, and (4) commercial success of the projects and undisturbed repayment of loans. By project end, 11 projects were financed, exceeding the project's target. However, only 7 of these projects were connected to the grid. 100% of projects were financed on a limited recourse basis, surpassing the project's target of 75%. Additionally, 43.8% of the total CAPEX cost of the 11 projects was commercially sourced. Other commercial finance to cover lending had not be received by project end, with some exceptions. Finally, despite the economic crisis in the Ukraine and local currency devaluation, repayment was on course for 10 of the 11 projects (TE pgs. 49-50).

4.3 **Efficiency**	Rating: **Satisfactory**

The TE does not provide a rating for efficiency, although it does note that the project was "reasonably efficient in that GEF financing was actualized as planned and co-financing was approximately 30% higher than planned," (pg. 51). The TE also states that the project was cost-effective, in that for every 1 USD of GEF investment the project leveraged at least 17 USD of co-financing. However, the TE also notes the "outputs were somewhat lower than the targets set originally at the start of the project, increasing the cost per output" (pg. 39).

The project did experience some moderate delays in implementation. In particular, there were lags in the lending decisions by EBRD, in no small part due to the political crisis in Ukraine. By 2017, the political situation had improved, allowing the lending facility to move forward with its projects (TE pg. 39). The TE does note however, that delays in the project approval process were compounded by the developers' inexperience with the level and type of documentation needed. This improved over the life of the project as the capacity of the developers increased. Additionally, the TE notes that "EBRD developed a program to streamline processes and improve its timeline for review of projects" (pg. 43).

No-cost extensions, totaling 2 years and 4 months, were granted through June 30, 2017 to allow the project to complete its objectives (TE pg. 39). It should be noted however, that all of the results relating to the development of the regulatory framework, awareness raising, and capacity building were achieved under the original project timeline (TE pg. 9). Therefore, this TER provides a rating of **Satisfactory** for project efficiency.

4.4 **Sustainability**	Rating: **Moderately Likely**

The TE provides a rating of **Satisfactory** for project sustainability. This TER, which uses a different scale, adjusts its rating to **Moderately Likely**.

Financial Resources

This TER assesses the sustainability of financial resources to be **Moderately Likely**. The TE notes that the projects already financed by the lending facility are expected to continue beyond the life of the project and yield substantial results (TE pg. 43). By project end, 10 of the 11 projects have been able to repay loans undisturbed (TE pg. 50). However, the TE also notes that there is a large pipeline of new projects for which financing is uncertain, although local and state banks have begun to finance Renewable Energy Sources (RES) projects (TE pgs. 43-44).

Sociopolitical

This TER assesses sociopolitical sustainability to be **Moderately Likely**. The TE conducted a number of interviews with EBRD staff members where they acknowledged that the project has helped to change misconceptions about work in the area of renewable energy sources, particularly that it is prohibitively expensive. Staff also noted that conditions of the renewable energy market, as well as the capacity of the project developers, had substantially improved (TE pg. 44). At the same time however, the TE notes that these results are "not guaranteed due to uncertainties in the long-term political support for renewable energy in Ukraine" (TE pg. 56).

Institutional Frameworks and Governance

This TER assesses the sustainability of institutional frameworks and governance to be **Moderately Likely**. The TE notes that the lack of legislative and regulatory frameworks was considered one of the main barriers to "large scale implementation of renewable energy projects in Ukraine" (TE pg. 12). It is significant therefore, that by project end, policies and regulations for renewable energy-based power had been proposed and adopted. Key legislation included the Feed-in-Tariffs (FiTs) for renewable energy, however the FiT support scheme expires in 2030 and it is uncertain whether it will be renewed or replaced with an alternative support system (TE pg. 30)

Environmental

The TE does not provide sufficient information to assess environmental sustainability.

5. Processes and factors affecting attainment of project outcomes

5.1 Co-financing. To what extent was the reported co-financing essential to the achievement of GEF objectives? 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 so, in what ways and through what causal linkages?

Actual co-financing exceeded expected co-financing by approximately 30%. $105 million of the $106.5 million in co-financing from EBRD and the Clean Technology Fund (CTF) was used to finance the renewable energy facility, USELF, and therefore essential to achieving the project's outcomes (TE pg. 12). Both the TE and the Midterm Review note however, that the co-financing was insufficient to achieve key targets, such as the reduction in total CO_{2eq} emissions. This is in large part because the project set unrealistic targets for the project's environmental impact indicators (Midterm Review pg. 31; TE pg. 46).

5.2 Project extensions and/or delays. 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 so, in what ways and through what causal linkages?

The expected project end date was February 28, 2015. The project experienced some delays in implementation, largely due to an unstable political situation in the Ukraine. While activities under Components 1 (Legislation, Regulation, and Procedures) and 2 (Commercial and Market Development) were completed under the original timeline, lending decisions by the EBRD were delayed, affecting activities under Component 3 (Financial Facilitation). The project received no-cost extensions and officially closed on June 30, 2017. Although the project fell short of some of its targets, it was able to achieve its overall objectives.

5.3 Country ownership. 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:

The TE assesses country ownership to be "highly satisfactory," noting that the Ukrainian government "was closely involved in developing the policy and legislative framework for renewable energy" (TE pg. 29). The TE also found that by project end, the government continued to support the FiTs and "reconfirm their commitment to renewables," (TE pg. 30). At the same time, the TE notes that the political situation in the future remained uncertain and could affect sustainability of project outcomes (TE pg. 56). The TE also notes some challenges working with government officials at the local level, "despite national priorities," which caused delays (TE pg. 57).

6. Assessment of project's Monitoring and Evaluation system

Ratings are assessed on a six point scale: Highly Satisfactory=no shortcomings in this M&E component; Satisfactory=minor shortcomings in this M&E component; Moderately Satisfactory=moderate shortcomings in this M&E component; Moderately Unsatisfactory=significant shortcomings in this M&E component; Unsatisfactory=major shortcomings in this M&E component; Highly Unsatisfactory=there were no project M&E systems.

Please justify ratings in the space below each box.

6.1 **M&E Design at entry**	Rating: **Unsatisfactory**

The TE does not provide a rating for M&E Design at entry. Although the project documents include a results framework outlining the expected outputs, outcomes, and impacts, a comprehensive M&E plan is not included. The project document indicates that the lending facility and individual investments would be monitored through quarterly and annual financial statements, as well as project progress reports (pg. 20). The project document does not elaborate on this system, nor does it provide for the monitoring and evaluation of other project components. A monitoring and evaluation budget was not included in the project documents, nor were responsibilities for monitoring and evaluation activities outlined.

Additionally, the Midterm Review and the TE found weaknesses in the results framework, including non-specific outputs and indicators, missing baselines, and overestimated targets. For example, Output 2.2 reads: *Targeted information available to investors*. As the Midterm Review notes, "This output does not specify what form this information would take, when it would be made available, how it would be used and how its usefulness to investors would be gauged" (pg. 9). Additionally, baseline values were not established at the project design phase, particularly for capacity building activities. As the TE notes, this significantly limits the project's ability to assess outcomes from these activities (pg. 27). The Midterm Review also notes that the expected targets for the objectives and impacts of the project were overestimated, particularly related to GHG reductions and MW of installed renewable energy power (pg. 5).

6.2 **M&E Implementation**	Rating: **Moderately Unsatisfactory**

The TE provides a rating of **Satisfactory** for M&E implementation, which this TER downgrades to **Moderately Unsatisfactory**. The TE notes that the project consultants for each component (i.e. the executing agencies) delivered "systematic monthly and quarterly monitoring reports as well as communicated consistently in an ad-hoc manner with EBRD staff" (pgs. 37-38). This TER notes that the project reports did report on progress toward project outcomes and objectives. However, the gaps in the results framework, noted above, significantly limited the effectiveness of the framework as a monitoring and evaluation tool.

A mid-term review was planned for and executed in 2013. The Midterm Review found that the monitoring of activities and results related to the finance facility, USELF, was appropriate and useful. Additionally, a "policy tracker" document was created to update EBRD on the status of regulatory and legislative reform under Component 1. Although the Midterm Review found weaknesses with this tracker, the greatest gaps in monitoring were of the training and capacity building activities under Component 2 (pg. 18). Despite recommendations by the Midterm Review, there were no improvements in the monitoring of marketing and capacity building activities for policymakers and project developers. The TE notes that this "deficiency appears to have only minor impact on implementation activities and project outcomes" (TE pg. 38). This TER disagrees, as the lack of data makes it nearly impossible to determine the outcome of project activities under Component 2.

7. Assessment of project implementation and execution

Quality of Implementation includes the quality of project design, as well as the quality of supervision and assistance provided by implementing agency(s) to execution agencies throughout project implementation. Quality of Execution covers the effectiveness of the executing agency(s) in performing its roles and responsibilities. In both instances, the focus is upon factors that are largely

within the control of the respective implementing and executing agency(s). A six point rating scale is used (Highly Satisfactory to Highly Unsatisfactory), or Unable to Assess.

Please justify ratings in the space below each box.

7.1 **Quality of Project Implementation**	Rating: **Moderately Satisfactory**

The TE provides a rating of **Highly Satisfactory** for the "implementation approach." The implementing agency for this project was the European Bank for Reconstruction and Development (EBRD). The TE found that the general management of the project was appropriate and that the implementation structure was effective (pg. 32). Additionally, the Midterm Review and TE found that EBRD effectively engaged local stakeholders in the design of the project, as well as when issues arose during implementation, such as the political crisis in 2014 (TE pg. 31). The TE specifically notes that the implementing agency engaged in adaptive management, such as "tailoring the type of technical support provided, while remaining within overall project parameters" (pg. 36). The TE notes that there was an open line of communication between EBRD and the various executing agencies. For example, in 2011 EBRD and the executing agencies met to discuss specific issues facing project developers and coordinate a response (TE pg. 36). Lastly, the TE found that EBRD executed sound financial management over the project, as well as organized regular reporting to the GEF (TE pg. 38).

This TER downgrades the rating for Quality of Project Implementation to **Moderately Satisfactory**, largely due to gaps in the results framework and a weak monitoring and evaluation plan. Additionally, the TE notes that there were significant staff changes within EBRD due to moving the project to another department, which created problems for implementation. The TE does note that the situation improved significantly by project end (pg. 37).

7.2 **Quality of Project Execution**	Rating: **Moderately Satisfactory**

The TE does not provide a rating for project execution. The project was executed by a number of agencies which were responsible for activities and results under different components. The Program Implementation Unit (PIU) was headed by two consultants, Fichtner and IMEPOWER. The PIU was staffed by part-time consultants with a mix of specialties, which the TE notes worked well for the project (pg. 7). Like EBRD, the TE notes that the PIU engaged in adaptive management and provided adequate technical support (pg. 36). However, there were significant staff changes in the PIU over the life of the project, which led to a loss in momentum and institutional memory. As a consequence, the TE notes that the staff did not utilize the results framework regularly (pg. 36). It also appears that a number of

recommendations from the Midterm Review were not adopted, particularly related to tracking and measuring changes in capacity building activities.

It is difficult for this TER to assess the quality of project execution under the other components, as this is not directly addressed in the TE. Component 1a (Institution Building) was executed by a consortium made up of AF-Mercados EMI, Exergia, Ramboll, and Metropoliya MC. A separate consortium made up of Black & Veatch, Ecoline, and EcoSocial Solutions executed Component 1b (Legislative and Regulatory Development) (TE pg. 12). (It should be noted however, that activities and results under these components were completed during the original project timeline.

8. Assessment of Project Impacts

Note - In instances where information on any impact related topic is not provided in the terminal evaluations, the reviewer should indicate in the relevant sections below that this is indeed the case and identify the information gaps. When providing information on topics related to impact, please cite the page number of the terminal evaluation from where the information is sourced.

8.1 Environmental Change. Describe the changes in environmental stress and environmental status that occurred by the end of the project. Include both quantitative and qualitative changes documented, sources of information for these changes, and how project activities contributed to or hindered these changes. Also include how contextual factors have contributed to or hindered these changes.

> As a direct result of project activities, the project reduced 5.67 million tonnes of total CO_{2eq} emissions over a 20-year lifetime (80% of its target). Additionally, 78.7 MW of new renewable energy capacity was created between 2009-2017, and an estimated 249 GWh/year was being generated by 3rd Quarter 2017 (TE pgs. 45-46).

8.2 Socioeconomic change. Describe any changes in human well-being (income, education, health, community relationships, etc.) that occurred by the end of the project. Include both quantitative and qualitative changes documented, sources of information for these changes, and how project activities contributed to or hindered these changes. Also include how contextual factors have contributed to or hindered these changes.

> The TE does not cite any changes in socioeconomic status that had occurred by the end of the project.

8.3 Capacity and governance changes. Describe notable changes in capacities and governance that can lead to large-scale action (both mass and legislative) bringing about positive environmental change. “Capacities” include awareness, knowledge, skills, infrastructure, and environmental monitoring systems, among others. “Governance” refers to decision-making processes, structures and systems, including access to and use of information, and thus would include laws, administrative bodies, trust-building and conflict resolution processes, information-sharing systems, etc. Indicate how project

activities contributed to/ hindered these changes, as well as how contextual factors have influenced these changes.

a) Capacities

The TE notes that the capacity of the National Energy Regulatory Commission (NERC) and the wholesale electricity market has "substantially" increased as has that of project developers (TE pg. 47). As noted elsewhere however, a baseline was never established and reporting on capacity building activities was weak.

b) Governance

The TE notes that "The GEF project has improved the regulatory scheme related to renewable energy and encouraged banks to support the sector's development. GEF funds helped in reforming the FiTs [feed-in tariffs] and other regulatory components, which provided long-term sustainable changes in Ukraine's energy markets" (pg. 47).

8.4 Unintended impacts. Describe any impacts not targeted by the project, whether positive or negative, affecting either ecological or social aspects. Indicate the factors that contributed to these unintended impacts occurring.

The TE does not indicated any unintended impacts.

8.5 Adoption of GEF initiatives at scale. Identify any initiatives (e.g. technologies, approaches, financing instruments, implementing bodies, legal frameworks, information systems) that have been mainstreamed, replicated and/or scaled up by government and other stakeholders by project end. Include the extent to which this broader adoption has taken place, e.g. if plans and resources have been established but no actual adoption has taken place, or if market change and large-scale environmental benefits have begun to occur. Indicate how project activities and other contextual factors contributed to these taking place. If broader adoption has not taken place as expected, indicate which factors (both project-related and contextual) have hindered this from happening.

The TE found three examples of scaling up and replication: (1) Extension of USELF: EBRD secured support from other donors to provide project financing and to fund the Project Implementation Unit. EBRD is also considering expanding USELF to include larger scale projects; (2) Stimulating other support for renewable energy: the USELF approach is has been replicated by other players, i.e. Ukrgasbank (who is working with the IFC to provide project financing) and Raiffeisen bank (who has contracted an external consultant to evaluate biomass/biogas projects using a similar approach to USELF); and (3) Replication of approach in a new area: the Ukraine Public Sector Energy Efficiency Framework (UPSEEF) program launched by EBRD is a partial replication of the USELF model but in the area of energy efficiency of public buildings (TE pgs. 31-32).

9. Lessons and recommendations

9.1 Briefly describe the key lessons, good practices, or approaches mentioned in the terminal evaluation report that could have application for other GEF projects.

The TE notes the following lessons learned (pgs. 56-57):

1. The Theory of Change was valid: the multi-component approach taken by USELF has been successful overall. The original design and project strategy is generally consistent with the needs of all stakeholders. Overall, the project implementation approach and management arrangements for this project have been effective to date. Project impacts have been significant on the legislative/ regulatory framework and the overall market for renewable energy in Ukraine due to the EBRD/ GEF involvement, and will continue. The prospects for sustainability regarding project are strong, but not guaranteed due to uncertainties in the long term political support for renewable energy in Ukraine.

2. Developing a market and identifying viable/bankable projects is possible but takes time and support. The program harnessed significant interest that was building in Ukraine and helped to build momentum, but the process took longer than anticipated due to a variety of internal and external factors. While the concept was sound, initial assumptions regarding the speed of uptake were somewhat overoptimistic for the situation in Ukraine.

3. The mix of technical skillsets of the consortia hired to support the different components was valuable and appropriate. The components required specialized skillsets and also allowed activities to move forward simultaneously on multiple fronts. For ongoing implementation, the PIU needs access to experience with all technologies, as well as with legal and financial and Environmental, Social and Governance (ESG) components. Fichtner and IMEPOWER's mix of part time staff with different specialties appears to have worked well. In addition to general awareness raising trainings, developers needed tailored support with guidance as specific as possible to their project needs.

4. The USELF's willingness to adapt to stakeholder feedback and external conditions contributed to its successes. Adaptive management is generally being practiced by the project managers and consultants. For programs like this it is important to be flexible in implementation, while remaining within the overall framework to adapt to changing conditions, new understandings and evolving stakeholder needs. For example, the combination of ad-hoc and systematic information exchange has proven to be very effective and helpful for all involved. The technical support provided by the PIU evolved somewhat over time to adapt to updated.

9.2 Briefly describe the recommendations given in the terminal evaluation.

The TE provides the following recommendations (pgs. 54-55):

1. Design a multi-component approach tailored to local circumstances to provide a foundation for success. The three-component approach with different consortia with specialised expertise, stakeholder engagement profiles, and timelines worked well to address the complexity of the work needed. There are a variety of complex barriers that must be addressed to facilitate a market for renewable energy, projects still may not move forward if only some of these are addressed. Management processes should include regular coordination between consortia to avoid duplication or gaps as well as to maximize synergies.

2. Design results framework using practical and meaningful indicators relevant for the implementation team as well as funders. Consider how the indicators are to be tracked in practice, especially for outputs and outcomes. As part of the outputs, seek to include leading indicators that will point toward the outcomes (and impacts) to increase relevance for the implementation team. Avoid overreliance on quantitative indicators that are seen as easy to track, yet do not provide especially meaningful information. Review assumptions for linked indicators, such as regarding how investments will translate into final impacts (e.g. renewable capacity, annual generation, and GHG emission reductions) and the sensitivity to different mixes of renewable energy types.

3. Build in comprehensive and ongoing engagement of the range of stakeholders. It is also important to proactively tailor both the engagement strategy and deliverables to meet the needs of the variety of stakeholders.

4. Allow sufficient time for implementation of all components to optimize cost effectiveness. The development of the regulatory framework and initial awareness raising and general capacity building were completed within 4 years, however it took a few more years for that to translate to a sufficient and healthy pipeline of viable projects.

5. Adaptive management is a necessity. Within the core framework, it is inevitable that adjustments will be needed along the way to adapt to changing external circumstances and evolving stakeholder needs. The implementation structure should allow sufficient flexibility for the implementation team as well as periodic review points to facilitate the necessary evolution, such as in the nature of the technical assistance provided to regulators and project developers.

6. Consider a regular engagement strategy with overlapping and synergistic initiatives. To be effective, this needs to be built into the implementation structure including the results framework or will risk being deprioritized or forgotten.

7. Make decisions on renewal 4-6 months in advance of break point to avoid loss of momentum. This will help minimize inefficiency in implementation as well as avoiding undue impact on developers. Plan to evolve the approach rather than completely end the program. This will more fully leverage learning and stakeholder contacts developed.

8. Ensure there are mechanisms to preserve institutional memory in the midst of inevitable staff changes. Core team members at both EBRD and the USELF PIU changed at a similar time and coincided with a loss of momentum (also due to external factors). It is possible that important institutional memory and documents may not have been transferred to the new responsible parties., which impacted the FEV team's ability to conduct a comprehensive review. To help mitigate these situations, additional mechanisms to preserve institutional memory and stakeholder relations are useful. It is also important to maintain appropriate turnaround times for application processing to facilitate developer trust.

10. Quality of the Terminal Evaluation Report

A six point rating scale is used for each sub-criteria and overall rating of the terminal evaluation report (Highly Satisfactory to Highly Unsatisfactory)

Criteria	**GEF IEO comments**	Rating
To what extent does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives?	Despite not providing overall rating for effectiveness, the report does provide a satisfactory assessment of the outcomes and impacts of the project. Relevance was not adequately addressed, and information on efficiency had to be gleaned from other sections of the report.	**MS**
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The report is internally consistent and the evidence is convincing.	**S**
To what extent does the report properly assess project sustainability and/or project exit strategy?	The report did address key components of project sustainability; however, they could have been better organized, and environmental sustainability was ignored.	**MS**
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	The lessons learned are supported by the evidence provided and they are comprehensive.	**S**
Does the report include the actual project costs (total and per activity) and actual co-financing used?	The report does include actual project costs and co-financing; however, it is not disaggregated by activity or party.	**MU**
Assess the quality of the report's evaluation of project M&E systems:	The report addresses some aspects of the project's M&E systems, such as the results framework, however its analysis is incomplete and this TER disagrees with its findings in the area.	**MU**
Overall TE Rating		**MS**

11. Note any additional sources of information used in the preparation of the terminal evaluation report (excluding PIRs, TEs, and PADs).

Midterm Review (2013)