3573 UNIDO, Terminal Evaluation Review, GEF Independent Evaluation Office, FEB 2017

1. Project Data

Summary project data					
GEF project ID		3573			
GEF Agency project ID		GF/NEP/10/001			
GEF Replenishment Phase		GEF-4	GEF-4		
Lead GEF Agency (include all for joint projects)		UNIDO			
Project name		Environmentally Sound Manage and PCBs	ment and Disposal of POPs Pesticides		
Country/Countries		Nepal			
Region		Asia			
Focal area		POPs	POPs		
Operational Program Priorities/Objectives	or Strategic	SP1: Capacity building for NIP implementation SP2: Investments for NIP implementation			
Executing agencies involved		Ministry of Environment, Science and Technology (MOSTE) as lead executing agency and Nepal Electricity Authority (NEA) as secondary executing agency			
NGOs/CBOs involvement		Nepal Federation of Environmer Committee	Nepal Federation of Environmental Journalists as part of the Steering Committee		
Private sector involve	ement	-			
CEO Endorsement (FS	SP) /Approval date (MSP)	November 11 th , 2010			
Effectiveness date / p	project start	December 20 th , 2010			
Expected date of pro	ject completion (at start)	December 31 st , 2013			
Actual date of project completion		September 2015			
		Project Financing			
		At Endorsement (US \$M)	At Completion (US \$M)		
Project Preparation	GEF funding	0.05	NA		
Grant	Co-financing	0.05	NA		
GEF Project Grant		0.88	0.87		
	IA own	0.04	NA		
	Government	0.66	NA		
Co-financing	Other multi- /bi-laterals	0.18	NA		
	Private sector	-	-		
	NGOs/CSOs	-	-		
Total GEF funding		0.93	0.87		
Total Co-financing		0.93	NA		
Total project funding (GEF grant(s) + co-financing)		1.86	NA		
	Terminal ev	valuation/review information			
TE completion date		January 2016			
Author of TE		-			
TER completion date		February 2017			
TER prepared by		Mireia Duran			
TER peer review by (if GEF IEO review)		Molly Watts			

2. Summary of Project Ratings

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

3. Project Objectives

3.1 Global Environmental Objectives of the project:

According to the CEO-Endorsement document (p.5) the Global Environmental Objective is "the protection of human health and environment from harmful impacts of POPs pesticides and PCBs through the prevention of future releases into the environment from obsolete stocks of POPs pesticides and PCBs wastes and from the improper management of PCB-containing equipment".

3.2 Development Objectives of the project:

the Development Objective of the project as stated in the Prodoc is "to enhance national technical/analytical capacity to address POPs problem and establish environmentally sound management system for disposal of POPs pesticides and PCBs."(Request for CEO Endorsement/Approval p.1) By strengthening the regulation enforcement practices and implementing management and phase-out plans by the stakeholders, the project would have gradually reduced the releases of POPs and PCBs into the environment. The project would also demonstrate the disposal 167 tons of PCBs, PCBs containing equipment and wastes. The project's immediate objectives were to

- Strengthen the legal and regulatory framework to ensure the environmentally sound management of POPs and PCBs and their gradual phase-out and elimination before 2025 and 2028 respectively;
- Updating the inventory and labeling of 167 tonnes of PCBs, PCBs containing electrical equipment and waste;
- Strengthening capacity for POPs and PCBs waste management and domestic treatment through implementing BAT and BEP;
- Disposal of at least 167 tonnes of PCBs, PCBs-containing equipment and wastes in an environmentally sound manner;
- Improving occupational safety measures and
- Awareness raising amongst the public
- (Prodoc p.20)

The project planned to achieve the mentioned objectives through five project components (TE, p.4):

- Outcome 1: Strengthening of institutional capacity building, policy/legal framework and enforcement strategy for POPs and PCBs.
- Outcome 2: Establishment of ESM system for POPs and PCBs
- Outcome 3: Final disposal mechanism of PCBs
- Outcome 4: Public awareness and information
- Outcome 5: Establishment of project management structure

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

The project documents (PIR, PIF and TE) mention the removal of Output 2.2 and 3.2 corresponding to the disposal of POPs pesticides. The reason for this modification is, as stated in the TE (p.5), that in 2009 Nepal was able to secure funds from the German Cooperation, the Deutsche Gesellschaft zur Technischen Zusammenarbeit (GTZ), now GIZ (Deutsche Gesellschaft zur internationalen Zusammenarbeit), to dispose the 33 tons of obsolete POPs pesticides that were planned in the original design. Hence, there was no need for this activity anymore. The TE also discusses that the project costs were not modified and thus, funds assigned for this activity were reallocated for the disposal of PCBs.

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.

The TE rates relevance as Satisfactory, and this TER agrees with that rating. The project outcomes are consistent with program strategies and country priorities as Nepal holds a significant stockpile of PCBs and wastes. The project is assisting Nepal in complying with the Stockholm Convention by building its capacity to soundly manage its stocks of PCBs and related wastes (TE, p.9). It targets a priority issue of the Government of Nepal and it is aligned with its National Implementation Plan (NIP). The CEO-Endorsement document (p.6) states that Environmentally Sound Management and Disposal of POPs Pesticides and PCBs were the first post of the NIP project promoted by the Ministry of Environment. The project is also relevant to workers dealing with transformers that may be potentially PCB contaminated. Nepal Electricity Authority (NEA) workers confirmed the high relevancy of this project that contributed to raise their awareness regarding risk of exposure to PCBs (TE, p.9).

According to the CEO-Endorsement document (p.6), this project is also consistent with GEF strategies as it addresses the following GEF priorities:

- a) SP-1 through a) putting in place regulatory framework for the management of POPs and PCBs b) strengthening and improving the sustainability of POPs and PCBs management capacities of the central government and other stakeholders c) improving the enforcement capacity of POPs and PCBs related legislations through laboratory strengthening and training, whereby Nepal will have the capacity to meet its Annex A POPs related obligations of the Stockholm Convention.
- b) SP-2 by a) phasing out PCB containing electrical equipment from use, b) disposals of PCBs in an environmentally sound manner, c) improving the working conditions of those who engage in POPs management, d) reducing exposure to POPs of local communities, whereby the environmental and health related risks resulting from those chemicals will be reduced.

.2 Effectiveness	Rating: Moderately Satisfactory
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The TE rates effectiveness as Moderately Satisfactory, and this TER agrees with that rating. The TE (p.10-16) details the level of achievement of each of the five outcomes listed in the DO section, including achievements of the different outputs within each outcome. A brief summery on the effectiveness of each component, is detailed below:

Outcome 1: Strengthening of institutional capacity building, policy/legal framework and enforcement strategy for PCBs Outputs/Activities

- Output 1.1 Policies and laws addressing POPs and PCBs revised. Policies and laws for PCBs in Nepal do not exist but "hazardous substances management regulation" was in process of approval by the end of this project. The TE indicates the POP chemicals will be included in the list of hazardous substance of this regulation. Instead of legislation, the National Technical Expert (NTE) and policy experts developed PCBs management guidelines. However, the TE considers that there are major weaknesses in this guideline, such as the omission of the crosscontamination issue. For these reasons, the delivery of this output is not satisfactory.
- Output 1.2: Appropriate technical/analytical capacity in place for enforcement. The TE states that this output was not achieved. The project could not strengthen the capacity of laboratories for POPs or PCB analysis due to the impossibility to import radioactive materials from India to upgrade the equipment suitable for PCB analysis. Instead, the Ministry of Environment, Science and Technology (MOSTE) purchased an Atomic Absorption Spectrometer but the TE considers this irrelevant to the project and argues that the purchase of other materials would have been more useful (e.g. kits and related consumables to be distributed to all transformer workshops of NEA).
- Output 1.3: Enforcement of POPs and PCB-related improved regulations. Even though several inspections were carried out by the government at custom points, the TE states that nothing indicates that custom officers had built their capacity for enforcement or inspection regarding PCBs at entry points. In addition, training workshops were organized to raise awareness regarding risk associated with PCBs and the need to manage them soundly until disposal, but there is a lack of information regarding the effectiveness of these sessions.
- Output 1.4: Capacity for POPs and PCBs strengthened. As mentioned, training workshops of trainers (TOT) were organized but there was no indication to claim that public awareness was raised. In addition, an Environmental Sound Management (ESM) system was implemented but

little effort was put in to maintain it. The TE states that by the end of the project, the site used to decontaminate PCB transformers during the implementation phase was very deteriorated and therefore, no ESM for PCB was sustained.

Outcome 2: Establishment of environmentally sound management (ESM) system for POPs and PCBs

- Output 2.1. PCBs inventories updated. An inventory form was developed during 2012 to cover most power transformers over Nepal and distribution transformers in Kathmandu. This output was mostly achieved, although some minor weaknesses were pointed out in the TE (for instance, the difficulty to collect oil samples from all transformers and the fact that some private owners of transformer distribution centers were not included).
- *Output 2.2.* This output was cancelled after this item was funded by GTZ (see section 3.3 of this TER).
- Output 2.3. Technical capacity for ESM of PCBs strengthened. As mentioned in output 1.2, no laboratory was upgraded. However, a number of activities were successfully undertaken to strengthen the capacity of NEA for Environmental Sound Management (ESM) during the decontamination process: provision of sufficient packaging materials, installation of emergency response equipment at NEA premises, provision of protective equipment including safety gears and appropriate gloves for NEA workers and training of 60 NEA workers/personnel for ESM of PCBs.
- Output 2.4. Occupational safety working environment improved. This output was satisfactory as occupational safety issues were covered in the PCBs guidelines developed, training workshops were held at different maintenances facilities and NEA designated some occupational safety officers who were also trained during the workshops (TE, p.14).

Outcome 3: Final disposal mechanism of PCBs

- Output 3.1 An interim storage location for PCB wastes established. An interim storage site for the storage of PCB contaminated equipment was successfully upgraded in Kathmandu and PCB decontamination was then successfully undertaken using a mobile treatment unit.
- *Output 3.2.* This output also relates to the disposal of POPs pesticides, which was cancelled.
- Output 3.3: Final disposal of 167 tonnes of PCBs and PCB-containing equipment and wastes implemented. The decontamination of all available PCB oils and equipment was successfully completed by March 2014. The TE points out that the inventory revealed a total of 409 tons of PCB contaminated equipment, but only a total of 209 tons (155 tons) and oil (54 tons) was treated by the mobile unit. The other PCB contaminated transformers were not available for decontamination (TE, p.15).

Outcome 4: Public education, awareness and information

Several training and awareness raising workshops were undertaken. However, according to the TE "there is no indication that the general public has been made aware or informed about the project or about the health related aspects of POPs and PCBs" (p. 15). Moreover, an electronic version of brochures on PCBs were developed, but not published by the time of the TE.

Outcome 5: Establishment of project management structure

• Output 5.1: Project management structure established. A POPs unit was successfully established within MOSTE and a National Project Manager (NPM) recruited. The Steering Committee for the Implementation of the Stockholm Convention (SCISC), the Project Management Technical Committee (PMTC) and stakeholders focal points were also established.

• Output 5.2: Project monitoring and evaluation designed and implemented. The effectiveness of this output is rated as moderately satisfactory in the TE. The reason for the rating is that even though the work plan was implemented as planned and reports were prepared on time, there was minimum or no discussion about accomplishments or progress of project activities during SCISC meetings.

4.3 Efficiency	Rating: Satisfactory

The TE, as well as this TER, rates efficiency as Satisfactory since "the stock of identified PCB contaminated oil and equipment was successfully treated at a very reasonable cost of US\$2.06 per kg" (TE, p.18). This cost is regarded as very acceptable since the usual price asked by international destruction companies ranges between 3 to 5 US\$ / kg.

The project implementation was delayed by two years but it seems that this delay did not affect the cost-effectiveness of project outcomes. The costs did not exceed the original budget and the project was able to successfully dispose 209 tons of PCB contaminated equipment and oil. In addition, it seems that the failures in strengthening the legislation and raising the awareness of the general public was not caused by a lack of funding.

4.4 Sustainability	Rating: Moderately Unlikely	

The TE rates the sustainability of this project as Moderately Likely because the institutional framework in place is adequate and the government is committed to comply with the Stockholm Convention. However, this TER has rated sustainability as Moderately Unlikely since the legislation was not strengthened at the end of this project and the lack of financial resources hindered the maintenance of the site used to decontaminate PCB transformers. As a result, Best Environmental Practices and Environmental Sound Management (ESN) were not being adopted at Nepal Electricity Authority (NEA) after the completion of this project. Sustainability is further assessed along the following four dimensions:

- **Financial resources** The TE (p.18) evaluates the financial risk as "high" since decommissioned transformers were being stored in bad conditions and potentially contaminated equipment was not soundly managed after the end of the project. This indicates that there were not financial resources disbursed to continue the activities that resulted in the benefits achieved by the project (i.e. identification and treatment of PCB contaminated oil and equipment). It is unclear from the TE whether there is going to be future funds available to continue with the treatment of PCBs. The TE does not indicate whether there is a financial plan to continue supporting the long-term objectives of this project despite the seeming commitment of the Nepalese government to PCBs decontamination.
- Sociopolitical The sociopolitical sustainability of this project is moderately likely since key stakeholders are interested and aware of supporting the long-term objectives of this project. Nepal is party to the Stockholm Convention and is fully committed for its implementation and, by the end of this project, it was in process of updating its NIP through another GEF funded and UNIDO implemented project (TE, p.18). The Joint Secretary of the Environment Division of

MOSTE stated Nepal would comply with the Stockholm Convention regardless of the political situation in the country. However, as pointed out in the PIR, the government is rather instable and the turnover of MOSTE staff high, which may jeopardize the future government effectiveness in sustaining the long-term benefits of the project (PIR, p.5).

- Institutional framework and governance The legal and political structure to support the project benefits in the future seems to be in place. The TE (p.19) states that the Steering Committee for Implementation of the Stockholm Convention (SCISC), who was in charge of the implementation and monitoring of this project, is also responsible to monitor/coordinate all future POPs projects. Furthermore, Nepal was in the process of promulgating the hazardous substances management regulation by the end of this project. Finally, within MOSTE, a Department of Environment was created as well as a chemical laboratory established for the monitoring of environmental chemical pollutants.
- **Environmental** The TE and PIR do not identify any environmental risk that can influence or jeopardize the project outcomes and future flow of project benefits.

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?

With regards to co-financing the TE mentions that "it is difficult to assess this aspect of the project", as co-financing was exclusively in-kind (p.23). Other project documents, such as the "GEF secretariat review for full/medium-sized projects" states that co-financing was appropriate for this project and adequate for each project component. No further information on the effects of co-financing is found in the project documents since the TE does not provide the actual co-financing materialized.

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?

As mentioned previously, implementation was delayed by two years. The reason for this delay were:

 MOSTE did not sign the agreement with UNIDO in 2011 but in March 2014, three years later after the project started. Apparently, in the 2004/05 NIP development project, GEF funds were transferred to UNIDO but managed by MOSTE. However, this time funds were managed by UNIDO, which was not well accepted in MOSTE and might explain the late signature of the agreement (TE, p.16). As a result, the implementation of project activities was slowed down due to administrative delays.

- Movement of personnel within MOSTE. During the project period, the Joint Secretary of Environment Management Division of MOSTE, who was also the National Project Director of the project, changed three times.
- 3) The establishing of a non-combustion facility for treatment of PCBs, as planned initially, was considerably delayed, and thus, the project opted for a mobile treatment unit. The sub-contracting of this unit was done through an international bidding exercise, which took time and delayed the process. Furthermore, the sub-contracted company had to wait for the monsoon season (June August) to be over before starting the decontamination process, which added further delays to the project.
- 4) Delays in the PCB decontamination process extended the duration of this procedure by at least 2 months.

Despite these delays, the stock of identified PCB contaminated oil and equipment was successfully treated and, as mentioned in former sections, the lack of success of the other outcomes does not appear to be related to such delays. However, the sustainability of the project is partially jeopardized by the high turnover of MOSTE personnel since new managers have to be informed of the objectives and strategies needed to maintain the benefit of this project (PIR, p.5).

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 the level of country ownership as high and satisfactory (p. 22). As mentioned, this project was relevant for the Nepalese government and it was executed by national agencies. Furthermore, the implementation approach directly involved all major stakeholders since the preparatory phase, which promoted country ownership. Both the TE and PIR claim that, overall, the involvement of government agencies and relevant ministries was satisfactory. However, the TE also points out that "capacity building" linked to outcome 1 (in particular output 1.3 and 1.4) would have been strengthened if NEA personnel would have been involved in the analysis of oil samples, which was not the case (p.22). With regards to sustainability, it is greatly highlighted in the TE the government's commitment to the global environmental objective of this project but it is uncertain, from the project documents, the future initiatives that they plan to fund and/or implement in this line of work.

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.

5.1 M&E Design at entry	Rating: Satisfactory
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The TE rates the M&E design as Satisfactory, as it notes that the M&E plan was adequate to monitor progress, following the standards of UNIDO. According to the TE, the logical framework gives appropriate objectively verifiable indicators, their sources of verification and assumptions & risks for the project objectives, outcomes and outputs (p.19). However, it points out the lack of target at midterm indicators, which could have helped the implementation of the project. The logical framework is complemented by an adequate cost plan for M&E. Overall, the M&E approach seems appropriate and linked to project reporting and oversight, which is why this TER has also rated the M&E design at entry as Satisfactory.

6.2 M&E Implementation	Rating: Moderately Satisfactory
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The TE rates M&E Implementation as Satisfactory, while this TER gives a rating of Moderately Satisfactory. As discussed in the TE, the planned steering group meetings as well as the technical meetings established to oversee the implementation of the project were held. However, the reports of the National Steering Committee on Implementation of Stockholm Convention (SCISC) contained "the strict minimum" and did not contain any text or comment discussing the progress of the project or how successful the implementation of activities were (TE, p. 20). Despite the fact that the TE grades M&E implementation as Satisfactory and that the evaluation reports were timely submitted to UNIDO, this TER grades this section as Moderately Satisfactory mainly due to the incompleteness of SCISC reports, where there was no information about the accomplishment of previous activities or whether they were successfully completed or not.

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: Highly Satisfactory	
LINIDO is the implementing agency of this project. The TE rates LINIDO supervision and backstopping		

UNIDO is the implementing agency of this project. The TE rates UNIDO supervision and backstopping role as Highly Satisfactory and this TER rates the Quality of Project Implementation as Highly Satisfactory. UNIDO supervision of the project was done through annual progress reports, inception workshop, and field visits. Evidence, in form of interviews, provided by the TE shows that the guidance, supervision and technical assistance given by the UNIDO Project Manager was highly appreciated, adequate, timely and helpful (p.23).

7.2 Quality of Project Execution	Rating: Satisfactory
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The executing agency of this project was the Ministry of Science, Technology and Environment (MOSTE), although Nepal Electricity Authority (NEA) was a key stakeholder who was involved in the inventory development and the decontamination process, and participated in the training / awareness workshops. The TE does not provide a rating for the quality of Project Execution, but this TER gives a rating of Satisfactory to this section. The major problem in execution appears to be the high turnover of the counterpart Ministry's management and NEA (PIR, p.7). This caused some delays since extended periods to establish communications with newly appointed Secretary and joint-Secretaries were needed. However, the PIR also notes that the frequent change in the position of officials at MOSTE and NEA was minimized by frequent visits and project updates.

Other issues with the executing agencies include the different organizational set ups and management practices that they have and the late signature of the project agreement by MOSTE, which slowed down the implementation phase due to administrative delays.

On the positive side, UNIDO Project Manager notes that there were no particular problems, except for normal administrative delays, for project execution and found that execution at national level was satisfactory (TE, p.24). Also the TE, based on interview data, claims that the high turnover did not disrupt project implementation, a statement that was also confirmed by the National Project Manager and the National Technical Expert. In addition, based on the feedback gathered from various stakeholders, the role of the National Technical Expert was crucial in the successful completion of the project. He was involved in all activities including the organization of meetings, policy development, the inventory exercise and the decontamination process (TE, p.25).

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.

There has been significant environmental stress reduction since 209 tons of PCB equipment (155 tons) and oil (54 tons) were successfully decontaminated. However, this environmental impact was at low scale since the TE indicates that the inventory revealed a total of 409 of PCB contaminated equipment

and that private owners as well as the region outside Kathmandu valley, except power transformers, were not covered by the project.

Despite the benefits obtained from this project, Best Environmental Practices (BEP) and Environmentally Sound Management (ESM) were not adopted at NEA by the end of the project. The TE notes that the feedback obtained during the field mission indicated that: a) due to lack of resources protective personal equipment was not systematically used; b) transformers were not systematically checked for PCBs as means (test kits) were not available; and c) no separate line was established for PCB contaminated equipment. Also, during the site visit at the location used for the decontamination procedure, the evaluator reported that old transformers were being stored in the open under very poor conditions. The National Technical Expert also reported a great deterioration of the site since the project ended (TE, p.11).

In sum, the TE discusses that at the end of the project the institutional framework was adequate and stocks of PCBs were successfully treated. However, the legislation was not strengthened and due to lack of financial resources, BEP and ESM were not adopted at NEA. Hence, from the TE, it is unclear the long-term environmental impacts of this project.

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.

No socioeconomic changes are reported in the TE.

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 reports that NEA workers raised their awareness regarding risk of exposure to PCBs. This impacted on their way of working since, for example, whenever required they would use personal protective equipment, which they did not do before. However, they indicated that due to lack of resources it was difficult to implement all the measures proposed. For example, they indicated that they

lack equipment to determine whether a transformer is PCB contaminated or not (TE, p.9). In addition, as mentioned before this project missed the opportunity to strengthen the skills of NEA personnel by not including them in the analysis of oil samples (TE, p.22).

c) Governance

According to the TE, the project aimed to assist and support government's efforts to comply with the Stockholm Convention and its National Implementation Plan. However, as explained in the effectiveness section, the outputs of Outcome 1 (Strengthening of institutional capacity building, policy/legal framework and enforcement strategy for PCBs Outputs/Activities) were not achieved. Hence, no impact in terms of changing the laws, administrative bodies or structure and systems was found by the end of this project.

On another note, the TE mentions that POP chemicals will be included in the list of "hazardous substances" within the hazardous substance management regulation that the government was in process of approving by the end of this project (p.10). However, it is unclear from the TE if the inclusion of POPs in the new regulation is an output from this project or if it is connected to it in any way.

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.

No unintended impacts are reported in the TE.

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.

No adoption of GEF initiatives at scale is reported in the TE.

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 provides the following key lessons related to the overall management of the project as well as to technical aspects (p.29):

- The project suffered delays due to late signature of agreement by MOSTE. Early signature of project agreement between parties avoids administrative delays during project implementation.
- Mobilization of a mobile unit for treatment of PCB contaminated equipment may be more cost effective than exporting the PCB contaminated equipment to be destroyed at a disposal facility.

9.2 Briefly describe the recommendations given in the terminal evaluation.

The TE describes that the project successfully treated 207 tons of PCB contaminated equipment. However, it was not able to completely achieve some of the immediate objectives such as strengthening regulations related to PCBs or awareness raising of the public. In this regard, the TE proposes the following recommendations (p.28-29):

- Custom officers have not been involved in the project. It is recommended that the project (MOSTE) should decide on the steps toward the involvement of customs authority in the control of electrical equipment including oil at entry points in the country for the future.
- To prevent cross-contamination, which is a major route to increase a country's burden of PCB, it is recommended that MOSTE should ensure that NEA are adopting BEP and ESM during maintenance and repair of transformers.
- Private owners of transformers as well as the distribution transformers outside Kathmandu valley was not covered by the project. Given that Nepal is currently reviewing and updating its NIP, the evaluation recommends that the authorities should seize this opportunity to undertake a complete PCB inventory exercise.
- The authorities should take advantage of the National Implementation Plan (NIP) update to raise the awareness of the general public regarding risks associated to exposure to PCBs and POPs, which was not done during the project.

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?	The TE provides a comprehensive analysis of outcomes and outputs supported by evidence. However, an assessment of the long-term impacts of this project is missing.	MS
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The TE is consistent although unclear with project costs (in the summary table it provides the "project costs" but it is not indicated that those are actually at CEO-Endorsement phase). It provides complete and convincing evidence and the ratings are well substantiated, although the sustainability rating is inconsistent with other parts of the report.	MS
To what extent does the report properly assess project sustainability and/or project exit strategy?	The TE presents a detailed and adequate analysis of project sustainability and risks. However, this component is overrated considering the analyzed risks and contradicts the recommendations section that states "chances for sustainability of project outcomes are low" (p.28).	S
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	Key lessons presented are straightforward and brief. They omit important issues such as the attempt to strengthen the legislation (this in not even address in the recommendations) and raising the awareness of the general public. The TE could have included the lessons learned from the failures of these two outcomes.	MU
Does the report include the actual project costs (total and per activity) and actual co-financing used?	The TE only mentions the costs at CEO-Endorsement but there are no information regarding the costs at the end of the project (only information of expenditures during project implementation, at 31 Dec 2012).	U
Assess the quality of the report's evaluation of project M&E systems:	The TE does a complete assessment of project M&E design, implementation and costs.	S
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).