1. Project Data

Summary project data			
GEF project ID		3690	
GEF Agency project ID		4056	
GEF Replenishment Phase		GEF-4	
Lead GEF Agency (include all for joint projects)		UNDP	
Project name		Protection and Sustainable Use of the Dinaric Karst Aquifer System	
Country/Countries		Albania, Bosnia-Herzegovina, Croatia and Montenegro	
Region		ECA	
Focal area		International Waters	
Operational Program or Strategic Priorities/Objectives		IW SO 1: To foster international, multi-state cooperation on priority water concerns IW SP 3: Balancing overuse and conflicting uses of water resources in transboundary surface and groundwater basins.	
Executing agencies involved		UNESCO IHP	
NGOs/CBOs involvement		Mainly consultation and collaboration IAH and GWP-Med – provided funded and participated in the project IGRAC, WWF South Eastern Europe and IUCN through consultation and collaboration	
Private sector involvement		-	
CEO Endorsement (FSP) /Approval date (MSP)		January 4th, 2010	
Effectiveness date / project start		May 2010	
Expected date of project completion (at start)		June 30th, 2014	
Actual date of project completion		May 31st, 2015[1]	
Project Financing			
		At Endorsement (US $M)	**At Completion (US $M)**
Project Preparation Grant	GEF funding	0.2	0.2
	Co-financing	0.25	
GEF Project Grant		2.16	2.16
Co-financing	IA own	0	0
	Government	1.9	
	Other multi- /bi-laterals	1.204	
	Private sector		
	NGOs/CSOs	0.3	
Total GEF funding		2.36	2.36
Total Co-financing		3.654	NA
Total project funding (GEF grant(s) + co-financing)		6.014	NA
Terminal evaluation/review information			
TE completion date		January 2016	
Author of TE		Dejan Komatina	

[1] An additional no-cost extension of the Project by 31 December 2015 was approved to complete some minor activities agreed at the last meeting of the Steering Committee (held in May 2015), e.g. preparation of a short version of the Strategic Action Program, translation of the Program to all local languages, preparation of CD-ROMs with project documents.

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	MS	-	MS
Sustainability of Outcomes	-	ML	-	ML
M&E Design	-	S	-	S
M&E Implementation	-	S	-	MS
Quality of Implementation	S	S	-	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 is to improve the protection and sustainability of a globally significant transboundary freshwater resource, the Dinaric Karst Aquifer and its ecosystems, reflecting in improvements in the overall stability and water security in the region. In addition, the project aims to demonstrate globally replicable approaches to the management of karst aquifers and ecosystems and enhance the effectiveness of other complementary GEF initiatives in the region (among others: the Ohrid, Prespa and Shkodra Lakes projects, the Croatian Karst Biodiversity Protection project, the Strategic Partnership for the Mediterranean Sea LME and its Investment Fund sub-projects e.g.: Neretva/Trebisnjica Basin, etc.) (source: GEF Secretariat Review for Full/Medium-Sized Projects).

3.2 Development Objectives of the project:

According to the Project Document (p.22), the development objective is, at global level, to focus the attention of the international community on the huge but vulnerable water resources contained in karst aquifers (carbonatic rock formations), which are widespread globally, but poorly understood. At regional level, the project development objectives are to (i) facilitate the equitable and sustainable utilization and management of the transboundary water resources of the Dinaric Karst Aquifer System, and (ii) protect from natural and man-made hazards, including climate change, the unique groundwater dependent ecosystems that characterize the Dinaric Karst region of the Balkan Peninsula.

The project planned to achieve these objectives through the following four components:

- Improving the understanding of the resource and of its environmental status
- Establishing cooperation among countries sharing the aquifer
- Facilitating harmonization of policies and priority reforms, and
- Communication, dissemination and replication activities.

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

Despite several delays and extension requests during implementation, GEOs and DOs remained the same.

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 rates this project as Relevant and this TER, using its own grading system, agrees and rates relevance as Satisfactory. This project is relevant at a global scale as it is one of the few projects attempting to tackle the complex issue of karst transboundary groundwater aquifer management. According to the GEF Secretariat Review for FMP, In March 2006, country representatives that participated in a workshop on the Dinaric Karst organized by UNESCO, concurred that the key priority was "to gain a better mutual understanding of the peculiar properties and functions of the Dinaric Karst Aquifer System, and to adopt policies for its joint management, based on a regional consultative and management mechanism". This is partly a result of scientific initiatives and of a number of international processes (the Petersburg Process, the Athens Declaration and related consensus building measures) and EU initiatives (the Stabilization and Association Process or the Regional Environment Reconstruction Programme for SEE). Nationally and locally this project is also relevant as government officials interviewed for the TE confirmed that the project is aligned with their national agenda. The project is consistent with the national legal and strategic frameworks related to water management since countries have ratified the most important regional conventions (TE, p.29).

This project is also relevant for GEF operational program strategies. According to the Project Document (p.22) this project is consistent with GEF Strategic Objective 1 of the International Waters Focal Area “To foster international, multi-state cooperation on priority transboundary water concerns through more comprehensive, ecosystem based approaches” and is expected to produce the relevant impacts of enhanced multi-state cooperation, stability and water security. The project would also be part of the IW Strategic Program 3 “Balancing overuse and conflicting uses of water resources in transboundary surface and groundwater basins” setting a globally replicable and highly innovative example of the use of IWRM principles for balancing conflicting water uses in a karstic environment.

4.2 **Effectiveness**	Rating: Moderately Satisfactory

The TE rates the overall effectiveness of this project as Moderately Satisfactory, and this TER agrees with that rating. The reason for the rating is that despite the success of some activities, other targets were not fully met and some important activities were postponed for the post-project period, creating uncertainty regarding the long-term impact of the project. The TE explains that during the first half of

project implementation, the focus was on the first DO (focus the attention of the international community on the huge but vulnerable water resources contained in karst aquifers) and the project successfully expanded knowledge of the regional groundwater aquifer system by collecting, systematizing and mapping information (TE, p.24). During the second half, the project attempted to achieve the DOs developed at regional level by the establishment of National Inter-ministerial Committees (NICs), preparation of the Strategic Action Plan (SAP), organization of the partnership conference, etc. However, the SAP was not endorsed and its implementation was planning to occur after the end of the project. Details on the progress of each outcome and goals are presented below:

Outcome 1: *Countries recognize the Karst Aquifer System as a shared and highly vulnerable resource, and agree to take steps to deal with its transboundary implications*. This outcome was achieved through the completion and adoption of the Transboundary Diagnostic Analysis (TDA), a collection and harmonization of large amount of data and information relevant for the assessment and management of karst groundwater resources in the region. The TE highlights that this TDA is the first thorough regional groundwater analysis that covers Albania, Montenegro, Bosnia and Herzegovina and Croatia. However, as a shortcoming, the TE reports the lack of monitoring data at both regional and local level and the failure to implement local scale activities that were planned to be performed along with the TDA (these are now planned for the post-project period). Furthermore, regarding Output 2 of this outcome (baseline conditions identified, and environmental status indicators agreed upon and adopted), the TE notes that environmental status indicators were prepared and discussed, but due to the difficulty of assessing them in such a complex environment they were not tested or adopted. They might be tested during SAP implementation (post-project phase).

Outcome 2: *Strengthening of the collective knowledge and coordination among development plans and countries, agencies and donors improves sustainability of the resource*. The establishment of the coordination mechanism among countries to manage transboundary groundwater aquifer systems was the main intended output under this Outcome. The project attempted to achieve this output through the establishment of a Regional or Multi-Country Consultation and Information Exchange Body (CIE), which did not happen. The TE explains that a TOR was prepared but there was no need to hold the first CIE meeting since the Project Steering Committee (PSC) fulfilled and somewhat substituted the role of CIE. For this reason, the members of the NICs (National Inter-ministerial Committee) decided to specify the role of CIE and setting up a secretariat at the beginning of SAP implementation (post-project phase). Nonetheless, to contribute to the achievement of this outcome, linkages and cooperation were established with a number of other transboundary water management initiatives and projects in the Mediterranean and Balkan regions and in other karst regions (TE, p.26).

Outcome 3: *Political commitment reached among the countries on implementing priority legal, institutional and policy reforms for the protection and equitable utilization of the Karst Aquifer System*. This outcome was achieved through the establishment of National Inter-ministerial Committees (NICs), whose primary role was to facilitate harmonization of policies and priority reforms in the countries. A weakness of NICs was several personal changes in governments of the project countries that delayed some meetings. However, according to the TE, NICs experience was positive and successful. In addition,

a document summarizing the Strategic Action Plan (SAP) was prepared and expected to be distributed by the end of the Project to the countries, for their consideration and signing. Another activity within this outcome includes the Conference "Karst without Boundaries" held in Trebinje, Bosnia and Herzegovina and Dubrovnik, Croatia. The TE reported that the conference was a big success and, despite that major efforts put on this activity delayed some others, it greatly contributed to strengthen a scientific base knowledge in the region.

Outcome 4: *Long term sustainability of achievements enhanced through public and political awareness campaigns, stakeholder involvement and replication mechanisms*. The Stakeholders Analysis and the Stakeholders and Public Participation Strategy were prepared, but the Information and Strategic Communication Plan was only being drafted by the time of the TE. Awareness raising was promoted through the development and updating of the Project website, the publication of brochures, leaflets and newsletters, as well as by presenting the Project at a number of events. They also successfully organized a technical site visit to the Trebišnjica River Basin, and the conference "Karst without Boundaries" had broad media coverage, increasing awareness among population on the importance and vulnerability of karst groundwaters. Furthermore, capacity building activities were developed such as the participation of the project team members in the training sessions organized in the framework of the Horizon 2020 Capacity Building/Mediterranean Environment Programme, the co-organization of a training workshop on karst waters in Split, Croatia or the Karst Summer School (TE, p.28). Despite all the activities performed, the PSC evaluation indicated that those were insufficient and the MTE recommended increasing the intensity of such activities in the second half of project execution.

4.3 **Efficiency**	Rating: Moderately Satisfactory

The TE rates Efficiency as Satisfactory but this TER gives a rating of Moderately Satisfactory due to implementation delays that affected project achievements and the lack of consolidated financial information at the end of the project that hindered a proper evaluation on actual project costs. According to the GEF Secretariat Review for FMP, the project is cost-effective since “TDA/SAP methodology adopted by the project has been tested and found effective in many GEF IW Projects.” This document considers key the role of science and improved technical understanding and argues that the comparatively higher percentage of GEF resources to Component 1 (improving understanding of the resource and of its environmental status) is a cost effective utilization of these resources. The TE also argues that the project was cost-effective since: a) the project was designed to reach maximum effectiveness of outputs vis-à-vis financial resources utilized and it adopted a "step-by-step" approach that built consensus and commitment to effective management; b) interest and commitment of the regional governments and other partners that planned to provide funds 1.6 times the size of GEF grant; and c) personnel and management costs were comparably lower than in other projects of similar size (TE, p.30).

Nonetheless, the project suffered significant delays in the implementation that affected its cost-effectiveness. These delays were caused by administrative problems (e.g. UN rules and regulations

required time-consuming procedures), delays in SAP adoption, the complexity of the TDA, coordination issues among stakeholders, the time-consuming organization of the project conference and problems in setting up of the communication and information exchange mechanism at national and regional level. These delays led to continuous requests to extend project period and, by the end of the project, some activities were not developed as planned in the Project Document (mainly the launching of the SAP implementation process, the implementation of local scale activities, and the establishment of CIE). This affected the overall effectiveness of the Project. Moreover, the TE noted that the updated information on disbursement of the grant funds and the co-financing was not available and thus, actual costs and funding is unknown.

4.4 **Sustainability**	Rating: Moderately Likely

The TE and this TER rates sustainability as Moderately Likely. Overall, sustainability appears to be linked to countries commitment to follow-up the measures initiated in this project, which is unclear given that coordination mechanisms and SAP were not fully developed by the end of the project. The TE identifies the following elements that are important to guarantee project sustainability: continuity of stakeholder involvement in Project formulation and implementation; the need for the issue of transboundary groundwater aquifer management to becomes and remain a priority; synergies with parallel GEF projects and processes in the region; presence of UNESCO and UNDP in the region; public awareness and communication; international attention and donor's mobilization to provide support; continuous communication and dialogue with development partners; and replication activities (p.32). Sustainability is further assessed along the following four dimensions:

- **Financial resources.** The TE reports that there are several financial risks that might jeopardize the sustainability of the project given that the coordination mechanisms have not been fully established. The TE does not further assess or identify such risks.
- **Sociopolitical.** The TE identifies organizational and institutional arrangements as one the most important indicators of the project sustainability. In that sense the project established the NICs (National Inter-ministerial Committees) to facilitate harmonization of policies and priority reforms in the Project countries. Although the NICs appeared to be vulnerable to rearrangements or personal changes in governments of the Project countries, the experience was reported as very positive and important to mitigate risks related to insufficient country ownership. There are further risks associated with the multi-country coordination body (CIE) mainly because it was not established during the implementation period and it is planned for the post-project phase. The TE also reports that further awareness raising of stakeholders and the public is necessary for the project sustainability.
- **Institutional framework and governance.** The TE mentions that there are differences in the perception of the institutional framework and governance risks by country and that when interviewees recognize such a risk, it is primarily caused by internal complexities in the country. Besides that, there is not further assessment on institutional framework and governance sustainability in the TE.
- **Environmental.** The TE does not identify any environmental risks.

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?

The TE reports that the initial co-financing committed was 141% of the GEF grant amount, which is considered a solid ratio (TE, p.18). In addition, based on the PIRs data, the TE concludes that the co-financing disbursed during the project was considerable. However, co-financing data was not available at the end of the project and it is unclear if some the promised co-financing was materialized, notably by INFO/RAC. Finally, the TE states that the budget was relatively modest and did not leave many resources for replication activities (outcome 4, output 10) (TE, p.11).

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?

Due to initial delays for administrative reasons, a 6-month no-cost extension was requested and project implementation started later than planned. In addition, another three no-cost extensions were requested and due to longer-than-expected realization of certain project activities (e.g. preparation of the TDA report, setting up of the NICs) another 6-month extension was approved in 2013 and then in 2014. Finally, a last 7-month extension was approved to complete some minor activities agreed at the 5th PSC meeting, held in May 2015 (e.g. preparation of a short version of the SAP, translation of the SAP to all local languages, preparation of CD-ROMs with project documents) (TE, p.5).

According to the PIR 2014 (p.18) these delays were mainly caused by the complexity of the TDA and the organization of the conference that was very time-consuming. Additionally, other factors that contributed to implementation delays were: a) the Project Team of national experts, selected by respective governments, had different qualities, training and motivation; b) the government of Albania changed after the election and the appointment of a new Steering Committee member was delayed; c) the UNESCO liaison to the project left and his/her replacement needed time to get familiar with the project; and d) UN rules and regulations asked for considerable time.

Overall, the TE finds that delays did not significantly affect the overall goal of the Project. However, not all outcomes were attained or completed due to time constraints. In that sense, the fact that some activities were not finished, notably the establishment of CIE and SAP implementation, jeopardized project sustainability due to uncertainties and risks associated with their future fulfillment (e.g. uncertainty regarding future financial resources, problems to coordinate all stakeholders, changes in governments' commitment to the objectives of this projects, etc.).

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:

Country ownership was high and relevant as countries started their joint work to improve understanding of the Dinaric Karst Aquifer system and to adopt policies for its joint management. Country ownership facilitated project outcomes by national governments' active involvement, funds and participation at the four preparatory meetings, subsequent Steering Committee and other technical meetings. Countries had committed to include the proposed policies, regulatory and management frameworks into their national water management plans and programs once the project finished. Hence, project sustainability is associated with the progress countries make in this direction and it will be guaranteed if they continue their cooperation through the SAP implementation process. Nonetheless, the TE points out that there are certain uncertainties associated with the continuation of activities after project termination, which undermines the project's sustainability.

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: Satisfactory

The TE rates M&E Design at entry as Satisfactory and this TER agrees with that rating. According to the TE, M&E was designed following UNDP and GEF procedures and baseline indicators were established accordingly. The Project Results Framework (PRF) provided clear indicators/outputs, whose level of finality could easily be measured. "SMART" indicators were largely used to enable a sound assessment of the progress of implementation and were not too strict to ensure flexibility and adaptive management. In addition, indicators and outputs were bound to go through the approval or adoption process, thus giving them a higher level of credibility. Two indicators were pivotal: the preparation and adoption of the TDA and the development and endorsement of the SAP (TE, p.9).

The M&E plan involved an elaborate reporting schedule consisting of the Inception Report, the Annual Project Report (APR)/Project Implementation Review (PIR), Quarterly Progress Report, Periodic Thematic Report, and Project Terminal Report.

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

The TE rates M&E implementation as Satisfactory because "only minor shortcomings were perceived, which did not affect the overall effectiveness of the Project implementation process"(TE, p.21). However, this TER gives a rating of Moderately Satisfactory due to some weaknesses in the performance

of the Project Steering Committee (PSC), which is in charge of follow-up implementation progress, and due to communication issues on the progress of the project among participants.

There appeared to be some challenges related with the Project Team performance to monitor the project. Despite efforts invested, the internal project communication was not optimal, which hindered the follow-up of the outcomes/outputs by all parties involved. The TE reports that the only occasion where the Project progress was shared with all team members was during Project Team meetings (p.18). The TE also mentions that a continuity of cooperation among National Focus Points was lacking, causing different dynamics of work between the different working groups. Due to implementation delays, the Project Steering Committee (PSC) requested to be updated on the status of implementation more regularly. However, interviews provided to the TE reported that insufficient time was available for discussion of outputs and next steps, and that the frequency of the PSC meetings (once a year) was too low for such a complex project (TE, p.18).

Furthermore, the TE provides an analysis of the different M&E reports produced during the implementation of the project. First, it notes that the Inception Reports is "rather basic in its contents and its real contribution to the Project implementation is the detailed presentation of the first annual work plan and timetable only" (p. 21). The quarterly reports were prepared and submitted on time but a detailed elaboration on eventual problems, gaps and risks was missing. On the positive side, the TE reports that Project Management Summary Reports, along with other documents prepared for the Project Steering Committee (PSC) meetings were very valuable for evaluation purposes and had good quality. Finally, the M&E budget was found sufficient and the planned reporting schedule was respected (TE, p.21).

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

UNDP is the implementing agency, which provided support to overseeing the Project implementation, but also acted as co-executing agency, particularly in the IW:LEARN project, which is directly linked with Component 4 (Outcome 4, Output 11: Participation to IW LEARN activities, and establishment of website). The TE rates the assistance provided by the UNDP as Satisfactory since interviews provided to the TE qualified UNDP's role as efficient, despite the rather low frequency of contacts during implementation. The MTE, however, reported that UNDP country offices were not sufficiently involved in the implementation and that they should reconsider their role and increase their involvement in the project.

The project designed has been characterized by its innovative and integrated nature (TE, p.34). The TE also rates the project design process as satisfactory in terms of involvement of stakeholders, consideration of their capacities, assignment of project roles, identification of partnership arrangements, and negotiation on responsibilities of the partners. However, the TE indicates that the feasibility of some objectives during the timeframe presented was not clear or well analyzed. It also states that some risks were not identified in the design phase (e.g. limitations associated with resources, legislation and project management arrangements in the Project countries), which possibly contributed to the delays in implementation (p.34).

As mentioned previously, not all outputs were attained (e.g. the implementation of local scale activities or the establishment of CIE) and thus, the TE suggests that maybe initial project goals/outputs should have been reconsidered, which did not happen.

This TER has rated Quality of Project Implementation as Moderately Satisfactory because despite the good rating given to UNESCO involvement, the project designed appeared to have some deficiencies that hindered the implementation of some activities during the life of the project.

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

UNESCO IHP (International Hydrological Programme) is the executing agency of the project. They provided the overall Project supervision and coordination, financial management, technical and scientific support, as well as administrative and logistical support (TE, p.12). The TE rates the operational support provided by UNESCO as Satisfactory. Interviews given to the TE reported that all countries were satisfied with the operational support provided by UNESCO and that "the communication with all working groups was very good, while the logistical and financial arrangements were handled in an effective way" (TE, p. 23). UNESCO was also managing the budget based on the approved budget lines and the logistical and administrative support by the UNESCO Venice Office – Antenna office in Sarajevo was efficient.

There were, however, some weaknesses in financial reporting as the TE notes discrepancies between the financial data provided in different parts of the ProDoc, in addition to discrepancies between that and other documents (TE, p.20). It appears that a request was made to UNESCO to prepare a document on Project Expenditures in 2013 and Project Budget 2014 but it is not clear if those documents were elaborated. Finally, there is no information on final costs and materialized co-financing. Considering the good feedback received by UNESCO, but also the financial reporting issues and the delays in the execution of some activities, this TER rates the Quality of Project Execution as Moderately Satisfactory.

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.

The project produced a relevant impact through enhanced transboundary cooperation and stability in the region, which hopefully will contribute in "improving the protection and sustainability of the Dinaric Karst Aquifer and its ecosystem", the project's environmental objective.

The TE notes that the TDA (Transboundary Diagnostic Analysis) is one of the main outputs of the project and thus, this project can be regarded as a "foundation setting effort." For this reason the stress reduction or environmental impact cannot be assessed at the end of the project (TE, p. 33). However, there has been several hydraulic projects planned in the areas covered by the project and, according to the TE, such initiatives may have higher impacts thanks to the cooperation mechanisms built among the different stakeholders through this project (TE, p.29).

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.

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

Several stakeholder training workshops and other forms of capacity building took place, although the Project countries have found the capacity building activities insufficient, and thus their impact is unclear. However, there were a considerable large amount of knowledge and data collected and incorporated into the project outputs, notably into the TDA (Transboundary Diagnostic Analysis) and SAP (Strategic Action Plan). These provided a good basis for further regional cooperation in the field, introducing a globally replicable and highly innovative example of the use of International Waters Resources Management principles for balancing water uses in a karstic environment (TE, p.33).

b) Governance

By endorsing this project, the countries committed to incorporate a set of policies and regulatory and management frameworks into their national water management plans and programs. However, as mentioned before, these policies were not incorporated at the end of the project, and thus the impact on governance will rely on the future implementation of SAP, which will have an important impact in changing the management practices of the Kraft aquifer. The TE notes that this project has "failed to make the countries reach a strong political commitment on implementing reforms for the achievement of the Project goal" (TE, p.33).

However, it is worth noting that a significant step forward has been made in improving governance since one of the project objectives was to establish cooperation among countries sharing the aquifer and facilitate the harmonization of policies and priority reforms. These steps include: a) positive effects on local populations related to the contribution to improved natural resource management arrangements with local groups; and b) improvement in policy frameworks for resource allocation and distribution (TE, p.32).

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.

As mentioned, this project is the first GEF project attempting to develop mechanisms and approaches for the cooperative management of a major transboundary karst aquifer system. In that sense, Component 4 (Outcome 4, Output 10) aims to facilitate the replication of new practices, approaches, behaviors and techniques, through capacity building activities. However, according to the TE no concrete new projects were considered for replication during the Project due to financial and time constraints (p.11). Despite this, linkages and cooperation were established with a number of other transboundary water management initiatives and projects in the Mediterranean and Balkans regions and in other karst regions (e.g. Petersberg Phase II, Athens Declaration, Neretva & Trebišnjica Project, MedPartnership and Skadar/Skhodra Project, Drim/Drin Project, GEF-WB Drina River Basin Project and others). The Project design and outputs are appropriate and intended for replication but there were not clear steps towards that end by the end of the project.

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 lessons learned from this project (TE, p.37):

- The commitment of the involved countries and their representatives in the Project was crucial for the Project achievements. In addition, the funding by the GEF and implementation/execution by UN organizations was a powerful combination in securing the commitment
- Establishment of personal relationships, building a project team spirit and international exposure of the Project were of extreme importance for the Project success, also representing a best practice that can be shared across the GEF programme. However, the level of involvement of other stakeholders (NGOs, users, professionals) during the implementation phase took place at a somewhat slower pace, so the communication and capacity building activities need to be given more attention in future.
- The basis for cooperation, both at technical and political level, has been established successfully and a wide cooperation in the region has been initiated.
- Continuation of this project through a realization of the Strategic Action Program seems to be the most feasible option at the moment. In that case, the CIE could become a permanent consultation mechanism with a secretariat supported by project coordination units.

9.2 Briefly describe the recommendations given in the terminal evaluation.

The TE provides the following recommendations to the implementing and the executing agencies for the planning of the post-project activities (TE, p.35):

- Make efforts to establish CIE as a mechanism that will ensure continuation of transboundary cooperation on the Dinaric Karst Aquifer System groundwater management, and that will especially facilitate further activities related to the adoption and implementation of SAP.
- In order to ensure sustainability of the SAP implementation, orient next steps toward concrete activities and define objectives as concrete and realistic as possible.
- Plan the follow-up so that the outputs will be based, not only on the existing data, but also on the data to be obtained through new investigations.
- Consider the possibility of extending the project region to other countries sharing the Dinaric Karst Aquifer System, such as Serbia and FYR of Macedonia.
- Make efforts to further strengthen science-policy interactions in each project country and ensure that the capacity of national institutions is used to the maximum extent.
- Consider strengthening of the project team by involving water management experts, in addition to the experts that have been involved in the project implementation.
- Make efforts to further improve awareness raising and capacity building.
- Plan the follow-up in a more conservative way in terms of assumptions and risks.

The TE also provides the following recommendations to improve the effectiveness of project management for future activities (TE, p.36):

- Preserve NICs (even if the SAP will not be implemented in future) as a basis for intersectoral communication and coordination within countries.
- Consider possibilities (and sustainability) of holding the PSC meetings more frequently and thus further strengthening project management.
- Plan a stronger Project Coordination Unit in the region that would, in addition to the Project Coordinator, include an information officer and an administrative officer (and preferably a GIS/database specialist).
- Further strengthen the Project Team by ensuring a closer and permanent cooperation among NFPs of project countries.
- Ensure a better quality check of outputs and performance of experts, inter alia, by linking a contract renewal closely to performance in a previous contract period.
- Consider appropriateness of decentralizing the Project budget on a yearly basis and possibilities to minimize administrative obstacles.
- When planning the awareness raising and capacity building activities, try to ensure that the responsible organization is, either located in the region or includes a person with an ability to speak languages of the project region.

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 sound assessment of outcomes, outputs and achievements that is consistent with the project design. However, the assessment of project impacts is rather limited, brief and repetitive.	**MS**
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The TE is consistent and the ratings well sustained. Also, evidence from interviews and other reports are provided. The TE also points out the specific information/reports that was not provided for its elaboration.	**S**
To what extent does the report properly assess project sustainability and/or project exit strategy?	The sustainability section of the TE is brief and does not show a sound assessment of the main risks affecting project sustainability. For instance, it mentions that there are some financial risks but it does not detail what these risks are. The report also omits any comment related to environmental risks. Only sociopolitical risks are slightly elaborated.	**U**
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	Lessons learned properly address the main issues and arguments of the TE. However, the section is slightly brief and includes recommendations that are later repeated in the recommendations section.	**MS**
Does the report include the actual project costs (total and per activity) and actual co-financing used?	The TE does not provide the actual project costs or the actual co-financing (it only provides the costs from the PIR)	**U**
Assess the quality of the report's evaluation of project M&E systems:	The TE provides a sound assessment of the M&E design and implementation, including the quality of the reporting documents and the teams established to follow-up the project. However, detailed information on how the M&E design and indicators operated throughout the project or how effective they were to monitor progress is missing.	**MS**
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).