

Terminal Evaluation Review form, GEF Independent Evaluation Office, APR 2016

1. Project Data

Summary project data			
GEF project ID		3766	
GEF Agency project ID			
GEF Replenishment Phase		GEF-4	
Lead GEF Agency (include all for joint projects)		IADB, UNEP	
Project name		Testing a Prototype Caribbean Regional Fund for Wastewater Management (CReW)	
Country/Countries		Antigua And Barbuda, Barbados, Belize Costa Rica, Guatemala, Guyana, Jamaica, Honduras, St. Lucia, Panama, Suriname, Trinidad and Tobago	
Region		LAC	
Focal area		International Waters	
Operational Program or Strategic Priorities/Objectives		IW-1	
Executing agencies involved		Caribbean Development Bank, UNEP CAR/RCU, Government Ministries, Local Municipalities and Wastewater Mgmt. Utilities	
NGOs/CBOs involvement		No involvement of NGOs	
Private sector involvement		Through consultations and sub-contracts.	
CEO Endorsement (FSP) /Approval date (MSP)		December 2, 2010	
Effectiveness date / project start		June 20, 2011	
Expected date of project completion (at start)		June 20, 2015	
Actual date of project completion		January 2017 (expected)	
Project Financing			
		At Endorsement (US \$M)	At Completion (US \$M)
Project Preparation Grant	GEF funding	0.38	N/A
	Co-financing	0.72	N/A
GEF Project Grant		20.00	18.35 (at June 2016)
Co-financing	IA own	160.38	519.5
	Government	90.82	78.9
	Other multi- /bi-laterals	0.50	0.567
	Private sector	0	0
	NGOs/CSOs	0	0
Total GEF funding		20.38	N/A
Total Co-financing		251.70	606.9 (+PPG)
Total project funding (GEF grant(s) + co-financing)		272.08	N/A
Terminal evaluation/review information			
TE completion date		June 2016	
Author of TE		N/A	
TER completion date		February 9, 2017	
TER prepared by		Matteo Borzoni	
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	N/R	Satisfactory	N/R	Moderately satisfactory
Sustainability of Outcomes	N/R	Likely	N/R	Likely
M&E Design	N/R	Moderately satisfactory	N/R	Moderately satisfactory
M&E Implementation	N/R	Satisfactory	N/R	Satisfactory
Quality of Implementation	N/R	N/R	N/R	Moderately satisfactory
Quality of Execution	N/R	N/R	N/R	Unable to assess
Quality of the Terminal Evaluation Report		-	N/R	Satisfactory

3. Project Objectives

3.1 Global Environmental Objectives of the project:

The project document does not state a Global Environmental Objective.

3.2 Development Objectives of the project:

The Development Objective of the project is formulated as follows.

“In the context of the Cartagena Convention and its Land Based Resources Protocol, to pilot revolving financing mechanisms and their related wastewater management reforms that can be subsequently established as feasible instruments to provide sustainable financing for the implementation of environmentally sound and cost-effective wastewater management measures” (CEO Request, p. 2).

This objective was supposed to be achieved through the following components (CEO request, p.2-5).

- Component 1 – Investment and innovative financing for wastewater management. The component was to finance (i) the capitalization of four individual Pilot Financing Mechanisms (PFMs), (ii) project development support to provide technical assistance; and (iii) strengthening of the technical capacity of executing agencies.
- Component 2 – Reforms for wastewater management. This policy, institutional and legislative reform component was to finance actions for improved wastewater management that are consistent with the UNEP/GPA Strategic Action Plan Guidelines on Municipal Waste Water Management. These included: i) capacity building relating to policy and institutional strengthening; ii) legislative reforms; and iii) awareness raising.
- Component 3 – Communications, Outreach and Information Exchange.

These three components were supported by Component 4, named Monitoring and Evaluation (M&E), and Component 5, named Project Management.

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

The original formulation of the project had 10 outcomes¹. During the inception phase the project results framework was slightly updated and three additional outcomes were added (TE, p.18):

- Outcome 11: Improved policy, legal and institutional frameworks;
- Outcome 12: Strengthened capacity for wastewater in the WCR;
- Outcome 13: Increased awareness of wastewater and sanitation by selected target groups.

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
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The TE rated Relevance as “Highly satisfactory” while this TER uses a different scale and rates Relevance as “Satisfactory”.

The degradation of the Caribbean marine environment, including through the discharge of untreated wastewater, is a serious concern for those countries whose livelihoods depend heavily on their natural marine resources. Numerous scientific studies singled out untreated wastewater entering the world’s oceans and seas as the most serious problem contributing to marine pollution. Scientists have identified a number of serious consequences of marine pollution caused by untreated wastewater. Pathogenic organisms in waters contaminated by wastewater discharges cause massive transmissions of infectious diseases to bathers and consumers of raw and undercooked shellfish.

¹ For the first component: 1) Improved access to financing for wastewater; 2) successful development of projects; 3) Improvements in technical capacity for project implementation; 4) Reduced land-based pollution to terrestrial and coastal waters from untreated wastewater in pilot project locations. For the second component: 5) Improved local and national capacity for wastewater management resulting in reduced land-based pollution of terrestrial and coastal waters in the WCR; 6) Improved stakeholder awareness about acceptable, sustainable and cost-effective wastewater solutions. For the third component: 7) Increased interest and demands for pilot financing mechanisms in the WCR; 8) Increased knowledge dissemination of information and use of participatory practices by government agencies, private sector and civil society on wastewater management in the WCR. For the fourth component: 9) Effective project monitoring and oversight. For the fifth component: 10) Effective project co-ordination (CEO Request p.2-5).

The Caribbean is the region in the world most dependent on tourism for jobs and income, while fishing is also a significant source of both income and subsistence. Damage by untreated wastewater to the marine environment including living coral can bring about severe economic consequences for people in the Caribbean.

UNEP/GPA estimates that as much as 85% of wastewater entering the Caribbean Sea was untreated. There was an urgent need to increase the coverage of wastewater treatment in the Caribbean, which was far below needed levels.

In recognition of the gravity of this situation, a number of countries from the WCR have ratified the Convention for the Protection and Development of the Marine Environment in the WCR, also known as the Cartagena Convention, and signed the Protocol on Land Based Sources (LBS) of Marine Pollution. The LBS Protocol sets several goals to govern domestic sewage discharges into the waters of the WCR.

The project is also relevant to national priorities of beneficiary countries including meeting relevant Sustainable Development Goals (6.2, 6.3, 6.b, 14.1, 14.2) (TE, p.19).

The project is consistent with the International Waters Focal Area Strategy of GEF-4. It contributes to Strategic Objective 1 (*To foster international, multi-state cooperation on priority water concerns*). It also contributes to Strategic Objective 2 (*to play a catalytic role in addressing transboundary water concerns by assisting countries to utilize the full range of technical assistance, economic, financial, regulatory and institutional reforms that are needed*). The proposed project is coherent with Strategic Program 2 (*reducing nutrient over-enrichment and oxygen depletion from land-based pollution of coastal waters in LMEs consistent with GPA*) through: (i) the design and execution of financial innovative mechanism(s) for supporting stakeholders to establish or expand domestic wastewater management systems based on realistic, cost-effective and environmentally sound measures (which reduce stress on coastal and marine environments and improves ecosystems functioning for enhanced livelihoods); and (ii) through supporting national and local policy, legal and institutional reforms to reduce land-based pollution (CEO request, p. 24)

4.2 Effectiveness	Rating: Moderately satisfactory
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The TE rated Effectiveness as “satisfactory”. This TER revises that rating to “moderately satisfactory”. Although the project developed pilot financing mechanisms (PFMS) in Jamaica and in Belize that were used to build wastewater treatment works (WWTWs), no WWTWs took place in Guyana and in Trinidad and Tobago.

The first component tested four PFMs in Belize, Trinidad and Tobago, Jamaica, and Guyana. The PFMs were supported by actions under project development support sub-component (with technical feasibility studies) and a sub-component on technical capacity strengthening for WWTW pilots.

The FY15 PIR specifies that in Belize projects were planned in two sites: Placencia and Belmopan. When the FY15 PIR (the most recent available PIR) was drafted the government of Belize had not yet decided the final location of the wastewater treatment plant in Placencia. Here the treatment plant would have

probably given rise to important political and social impacts, so more studies were needed along with better local community acceptance (FY15 PIR, p. 13). In Belmopan three interventions were planned. These included a so called “Belmopan Retroactive Finance” for which all planned resources were disbursed; the “Belmopan Sewer Expansion Phase 1” which included the rehabilitation of a treatment system and that was still under construction when last PIR was drafted; and the “Belmopan Sewer expansion phase 2”, which was still at a design stage (FY15 PIR, p. 13).

In Guyana the revolving fund was based on a model of public-private partnership, thus the main clients of the fund were expected to be part of the private sector. The TE does not report relevant information, however no disbursement had taken place when the last PIR was conducted. Several proposals were considered, however the first generation of pilot projects had yet to be identified (FY15 PIR, p. 14)

The approach in Jamaica consisted in a credit enhanced facility. A guarantee fund was made available to promote access to commercial loans. The national protection agency had a long list of more than 40 waste water treatment (WWT) facilities that needed to be upgraded. Only one commercial bank showed interested in the loan. Administrative and management issues within the National Water Commission delayed the process. When the past PIR was drafted three interventions were at an advanced stage. More specifically, a building contract was awarded to a constructor for the replacement of a waste water plant treatment, while the National Water Commission had already presented all documents to the cabinet for the final approval of the design and construction of three waste water conveyance systems and three treatment plants (with pond systems). Other interventions initially planned were cancelled. These consisted in five wastewater treatment plants based on a mechanical system, which were cancelled because of financial constraints, and the provision of engineering and work supervision services for the rehabilitation of eight WWT plants, which were cancelled because of cost considerations (PIR FY15, p. 17).

For Trinidad and Tobago the TE mentions (p. 14) that the financing mechanism was characterized by a lack of clarity over the project objective (many stakeholders thought the funds were for implementing WWTWs rather than for testing an innovative financing mechanism), and over the roles of main agencies involved in the project. Moreover the last PIR mentions that an agreement between the government and the Water and Sewage Authority (WASA) was not in place to ensure the replenishment of the revolving fund from WASA. Consequently, funds could not be transferred to WASA to start construction works. Also, the original plan consisted in a refurbishment of the Scarborough WWTWs but it then became clear that funds were inadequate.

The second component was designed to strengthen policies, legislation, and institutions with a direct focus on meeting the requirements of the Cartagena Protocol on pollution from Land-Based Sources (LBS). The project developed a wide range of policy toolkits for the regional partners of the project, along with country reports on LBS. These regional activities were complemented with national actions to support capacity building for institutional and polity reforms. According to the project document Small Scale Financing Agreement (SSFA) were to be implemented in countries not implementing PFM, however the uptake of these SSFAs was very low in Spanish speaking countries (TE, p. 16).

This component also supported the development of a partnership on wastewater training. More specifically WWTW operators were trained at UnivTech of the University of the West Indies in Kingston (TE, p. 16).

The third component was designed to document the outputs, and activities trainings of the project. It was also supposed to support the project knowledge management systems. The project has a well-developed website and it developed four newsletters per year. In addition, six GEF Experience Notes were prepared describing the lessons generated by the project. Many of the project outputs were translated into Spanish, however the TE notes that this happened only when the project was phasing out, while they should have been translated into Spanish before in order to enhance the project knowledge management system of the project. Video documentaries were also developed along with case studies in Belize, Jamaica and Guyana PFMs, a report on wastewater and biosolid/sewage sludge reuse in the Caribbean, a case study on resources valuation in Trinidad and Tobago, a cross-cutting study on barriers and solutions to financing wastewater management, and another on wastewater management.

4.3 Efficiency	Rating: Moderately satisfactory
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The TE rated Efficiency as “moderately satisfactory” and this TER agrees with that rating.

An Inter-Agency Coordination Group (IACG) was created to facilitate a smooth implementation of the project by IDB and UNEP. The IACG made extensive use of video conferences to hold meetings, thus keeping coordination costs low.

The project was effectively managed financially through day-to-day controls and adequate oversight of the project steering committee (PSC) and IACG. IDB had direct responsibility for component 1 and the UNEP Caribbean Environment Program /Regional Co-ordination Unit (CAR/RCU) was responsible for Components 2 and 3.

At the time of the TE mission (June 2016) the project expenditures were approximately 92% of the total grant from GEF. The TE also anticipates that the full GEF grant will be committed by completion (TE, p. 28).

The financial planning and management of Components 2 and 3 were undoubtedly more complicated due to problems encountered with the UNEP new financial management system introduced in mid-2015, named UMOJA. The introduction of the UMOJA administration system affected the speed of the recruitment process and disbursements for fees and expenses to SSFA holders and workshop participants (TE, p. 28). The TE emphasizes that delays in reimbursements for travel and accommodation expenses dissuaded regional participations in workshops.

IDB developed an operations manual for PFMs, which was very useful for the implementation of the project in Jamaica, Belize and in Guyana. However the TE also noted that the manual was insufficiently detailed for Trinidad and Tobago (TE. p. 15).

The TE mentions that IDB conducted willingness to pay studies in all PFM countries, however it is unclear how these studies will be used (TE, p. 30).

The project was characterized by substantial delay of the start-up phase. More details are reported in Section 5.2.

4.4 Sustainability	Rating: Likely
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The TE rated Sustainability “likely”. This TER agrees with that rating.

The TE rates sociopolitical sustainability as “highly likely”. This TER uses a different scale and rates sociopolitical sustainability as “likely”. The TE mentions (p. 21) that all involved countries highlighted the importance of investments in wastewater treatment. It also mentions that in Belize projects were planned with PV cells providing power to the ultraviolet disinfection treatment system, thus reducing energy consumption costs. Here the treatment plant was designed considering future extensions, which will be needed to accommodate population growth (TE. p.26)

Financial sustainability was rated as “likely” and this TER agrees with that rating. In Belize the repayment of the fund is in place and it is based on a customer tariff (TE, p. 11), which is conducive to the financial sustainability of the project.

In Guyana, despite efforts made by the Ministry of Housing and Water to involve the private sector, only one private operator expressed interest to participate in the project. However, the TE also mentions (p.21) that the project management unit (PMU) developed options for an exit strategy.

The project proposal mentions that additional co-financing should have been sought by the project during the project life to enhance the financial sustainability of the project, however this did not occur (TE, p. 28).

The sustainability of the institutional framework and governance is rated as “highly likely” by the TE. This TER is unable to assess this component of the sustainability criterion because not enough information is included in the TE. The TE only mentions that in Guyana the lack of proper policies, institutions and enforcement mechanisms were a barrier for the installation of WWTW (TE, p.13). However, no considerations are provided for the other countries.

The TE rates environmental sustainability as “Highly likely”. This TER uses a different scale and rates environmental sustainability as “likely”. In fact, no environmental threats or risks were mentioned in any of the documents made available for this TER.

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?

When the project was approved total co-financing amounted to \$US 251 million, which was more than 12 times higher than GEF contribution. Total actual co-financing amounted to \$US 606 million (TE, p. 80), which is 2.4 times the planned co-financing. The high level of co-financing suggests that co-financing was essential for the project. In this regard, the TE emphasizes (p. 10) how IDB co-finance and national sources were crucial for PFMs.

Significant contributions came from national executing agencies. For instance, for Component 1 the Jamaica National Water Commission provided a total of \$US 10 million for infrastructure and \$US 1 million more as in-kind financing for the design of wastewater treatment plants and for M&E activities; the Ministry of Finance in Belize provided US\$0.30 million as in-kind contribution for project management and M&E; the Ministry of Housing and Water in Guyana provided over US\$0.56 million as in-kind contribution for project management and M&E (TE, p.4)

For Components 2 and 3, CAR/RCU provided US\$0.6 million as in-kind contribution for project management support and technical assistance (TE, p.4).

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 project has had a slow start-up phase. According to the TE one main reason was that stakeholders and partners needed more explanations. The project was perceived as a set of wastewater construction projects and not as a means test "innovative financial mechanisms" (TE, p.18). Moreover, at the project start, pilot countries were not prepared to submit specific WWTW proposals as assumed at the design stage. Also, at country level, dealing with financial agreements took a considerable amount of time (TE, p. 21).

The implementation of Component 2 and 3 was also affected by important delays, which were caused by the introduction of the UNEP's new financial management system, named UMOJA. This also affected SSFA contracting (TE, p. 21).

Country specific causes of delays include insufficient details of the IDB Operations Manual in Trinidad and Tobago and a lack of clarity among private companies regarding loan conditions of PFMs in Guyana, which was aggravated by poor experience of companies with the development of technical and financial proposals (TE, p. 21). In Jamaica the finalization of agreements with the National Water Commission took 33 months because of administrative and management issues within the National Water Commission (TE, p. 14).

In order to complete the implementation of all planned activities, the end of the project was extended from December 2015 to January 2017.

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 important amounts of co-financing from national agencies suggests that ownership was high among national government. In addition, the TE notes that countries participation was very high at the meetings of the project steering committee (TE, p. 28).

However, both the mid-term evaluation (p.49) and the TE noted (p. 27) that in general the Spanish-speaking countries exhibited lower levels of identification with the project and cited fewer opportunities to participate than their English-speaking counterparts, thus suggesting a lower level of ownership among Spanish speaking countries. This was due to two main facts: on the one hand PFMs were available only for English speaking countries, on the other hand there was a general lack of detailed information on PFMs and SSFAs outputs and of PSC's reports in Spanish (TE, p 27).

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: Moderately satisfactory
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The TE rated M&E Design at Entry as "moderately satisfactory" and this TER agrees with that rating. Although the M&E plan was overall well designed, some outcomes are redundant and some indicators are not SMART.

The design elements of the M&E presented in the project document was based on the standard template for GEF project. The M&E plan included an inception report, annual operating plans, quarterly technical and financial reports, PIRs, co-financing reports, project completion reports, a mid-term evaluation (MTE) and a final evaluation. The project document has M&E budget and assigns clear responsibilities for the different M&E components and deliverables.

The MTE conducted a detailed analysis of the indicators of the project results framework (p. 57) to assess the degree to which indicators satisfy SMART criteria. The MTE developed of SMART-ness index,

which consists in assigning a score of one for each of the five criteria (specific, measurable, achievable, relevant and time-bound) the indicator was complying with. The score are summed up together and are normalized in percentage terms. The author found the resulting SMART-ness score was 66% (MTE, p. 43)

The TE noted (p. 30) that some outcomes are formulated in a very similar way, thus causing confusion for monitoring and evaluating the project. This redundancy problem can be found in Outcome 3, 5 and 12 (they are all about improved technical capacity) and in Outcome 6 and 13 (they are about increased awareness).

6.2 M&E Implementation	Rating: Satisfactory
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The TE rated M&E Implementation as “satisfactory” and this TER agrees with a that rating.

The indicators of the project results framework were properly monitored by the project coordination group (PCG) and results were reported annually in PIRs.

The fourth (and last) meeting of the PSC was used as an opportunity to share lessons from all participating countries for the remaining phase pf the project and for the follow-up phase (TE, p. 9).

The GEF Tracking Tool was properly completed by the project on an annual basis (TE, p.31). The MTE was conducted and provided 20 recommendations that were adopted by the project management. For instance, one of the recommendations was to increase the project duration of at least one year.

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
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The TE did not rate the quality of Project Implementation. This TER rates this criterion as “moderately satisfactory” because of the UNEP’s weak capacity to address financial issues.

This is the first project that is jointly managed by IDB and UNEP. An inter-agency co-ordination group (IACG) was created to jointly guide the implementation of the project. The IACG made extensive use of video conference facilities with the PCG. This facilitated the overall coordination (TE, p. 25).

The IDB developed country-specific manuals (under the supervision of the IDB Water and Sanitation Division) to facilitate the implementation of Component 1 of the project (TE, p. 10). These manuals were considered of great value in Jamaica, Guyana and in Belize, while in Trinidad and Tobago they were insufficiently detailed (TE, p. 21). In addition, IDB provided technical support on financial management and on water issues through dedicated wastewater and sanitation specialists (TE, p. 10).

A criticism that was strongly stressed by the TE was the very slow capacity of UNEP to address financial issues and to process reimbursement requests and contracting after the introduction of a new financial management in 2015. This also limited the capacity of UNEP to work with SSFAs (TE, p. 16).

7.2 Quality of Project Execution	Rating: Unable to assess
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The TE did not rate Quality of Project Execution. This TER is unable to assess this criterion. This is because the TE includes a description of the executing structure without providing considerations or information on its performance.

The project was executed under the supervision of the Project Steering Committee (PSC), which was made up of National Focal Points (NFPs), representatives of the PFMs, IAD, UNEP, and the Caribbean Development Bank. A project coordination group provided day-to-day direct management and acted as the secretariat of the PSC (TE, p.25). Four PSC meetings took place during the project life. A fifth meeting would have been beneficial given that the project was extended, but no financial resources were available for this (TE, p.18)

Each country participating in Component 1 established a Pilot Executing Agency that was responsible for the IDB loan agreement and for overseeing local actions, which were managed through Project Management Units (PMUs). The PFMs also established a board to supervise national loans and the PMU (TE, p. 10)

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.

A comprehensive analysis of impacts is not included in the TE, however it is expected that the WWT facilities will lead to improvement in the marine and terrestrial ecosystems (TE, p. 23).

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.

Construction companies and engineering firms also benefitted from the project by renovating, building and designing WWTWs.

The positive changes in marine and terrestrial ecosystems caused by the WWTWs funded by the project are also expected to improve economic activities, such as fishery and tourism (TE, p. 23).

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 project delivered a wide range of actions to improve capacities. More specifically, WWTWs operators were trained at UnivTech of the University of the West Indies in Jamaica. The course materials was prepared with the specific purpose of meeting training needs of national regulators. The Water Center of Monterrey organized an on-line training for the Spanish speaking countries for 125 participants on different aspects of water management, which included strategic management of water utilities, commercial management of water utilities, energy and water efficiency of water utilities and wastewater treatment fundamentals (FY15, p. 20). An online training on water utility reform was organized in collaboration with the Caribbean Development Bank, the World Bank, and the Caribbean Water and Sewage Association. Face-to-face workshops on water utility reforms were organized for CEO and mid-level managers in Barbados.

The project also developed various learning tools such as reports on wastewater and biosolid/sewage sludge reuse in the Caribbean, a cross-cutting study on barriers and solutions to financing wastewater management, and a case study on resources valuation in Trinidad and Tobago.

b) Governance

The improvement of sectoral regulation was a component of the project. The FY15 PIR specifies (p. 75) that the human and financial resources allocated in this area were not sufficient to achieve significant impacts before the end of the project. However the project result framework of the most recent PIR report that three countries have now improved sector policies, but no other details are added in this regard.

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 intended impact is mentioned 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.

The project tested innovative financing mechanisms. The TE mentions that the lessons drawn are very import to inform the follow-up project. So it is understood that there will be a follow-up phase but no specific information is provided in this regard.

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.

Main lessons are:

- Many stakeholders thought that the main purpose of the project was building wastewater treatment facilities. The rational and implementation mechanisms should be clearly understood by all involved parties before the project is launched.

- In order to facilitate repayment of loans enabling conditions should be in place. These include a proper tariff structure.
- It is important to link national actions to regional policy, like the LBS protocol
- Projects dealing with WWT should have balanced components of PFM, capacity development and institutional/ policy development support. It is also important that institutions have the capacity to provide baseline water quality data so that enforcement actions can take place
- A greater engagement of the private sector would be important. This should be achieved through proper public relations actions.
- In Guyana the PFM has not adequate institutional conditions. Capacities were also low for companies. Loans requests were just a few because loans conditions were not clearly understood and also because of a land ownership requirement. Small companies did not want to buy land without being sure that the loan would be approved. However, ownership of land was a condition for granting loans. When dealing with small companies projects should provide more technical assistance to prepare proposals and should adopt a more flexible approach for loans conditions.
- The IDB country-based Operations Manual was very important to facilitate the implementation of the project in at least three countries. The use of these manual should be replicated in other projects.

9.2 Briefly describe the recommendations given in the terminal evaluation.

Main recommendations are reported below.

At the design stage the importance of enabling conditions for PFMs (i.e. policies, legislation, institutions) was underestimated. In the follow-up PPG phase these aspects should be addressed by planning timely capacity building activities. The design of future projects also need to clarify selection criteria for pilot projects and should also ensure that approved projects are balanced among English and Spanish speaking countries.

For PFMs to be successful, technical assistance should be provided to small companies to prepare proper proposals. Open training sessions for companies could be organized before the bidding phase. Also, technical assistance could be provided to companies responding to expressions of interest.

The future follow-up phase should be more flexible to promote multiple community projects with small loans, as requests by some countries. Coherently with the value of loans, loans conditions should be simplified. Links with the GEF Small Grant Program should be explored to deliver community level wastewater solutions, which should be based on low maintenance and energy costs.

More authority should be given to the national IDB office.

The project had few documents translated into Spanish. In the follow-up project adequate resources should be budgeted for translations so that all documents are translated into both languages.

The introduction of a new financial management system mid-2015 affected the capacity of UNEP to work with SSFA, to pay consultant and to reimburse expenses. UNEP should speed its financial management capacity. In this regard, UNEP should consider inter-agency agreements with UNDP country offices (however this will increase costs).

The project was perceived as two different projects: Component 1 on one side and Component 2 and 3 on the other side. A greater integration is needed. One single person could be responsible for both IDB and UNEP. In addition, the project management board should be representative of both implementing agencies. Countries should have one single national focal point with sufficient authority.

The project did not have enough funds for a last PSC meeting. Alternative financing sources should be explored so that the PSC meet one more time. This meeting should be part of the project exit strategy.

In future projects where both UNEP and IDB are implementing agencies, one unique M&E and reporting system should be developed.

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 assessment of outcomes is properly discussed. The annex reports figures for all indicators (including the indicators of the development objective) with comments on the degree to which the outcomes and the development objective can be considered achieved. The analysis of impact is poorer.	S
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The report is internally consistent. Evidence presented is convincing. Overall ratings are quite well substantiated, however quality of project implementation and execution were not rated.	S
To what extent does the report properly assess project sustainability and/or project exit strategy?	An analysis of sustainability was developed. However the analysis of the sustainability of the institutional framework and governance could be further elaborated. Considerations on the exit strategy should have been expanded.	MS
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	Lessons learned are properly supported by evidence and are comprehensive.	S
Does the report include the actual project costs (total and per activity) and actual co-financing used?	Actual project costs are included in Annex 7. Both total and per component costs are specified. Actual co-financing data are also included.	HS
Assess the quality of the report's evaluation of project M&E systems:	The analysis of the M&E design at entry and implementation is comprehensive and convincing.	S
Overall TE Rating		S

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