GEF EO Terminal Evaluation Review Form

1. PROJECT DATA				
			Review date:	
GEF Project ID:	391		at endorsement (Million US$)	at completion (Million US$)
IA/EA Project ID:	463	**GEF financing:**	7.00	7.00
Project Name:	Fuel Efficiency in the Transport Sector (FERT)	IA/EA own:		
Country:	Pakistan	Government:	0.304	0.558
		Other*:	0.419	0.680
		Total Cofinancing	0.722	1.238
Operational Program:	OP-5, Focal Area-Climate Change	**Total Project Cost:**	7.722	8.238
IA	UNDP	Dates		
Partners involved:	National Energy Conservation Centre (ENERCON), Ministry of Environment, Urban Affairs, Forestry and Wildlife	Effectiveness/ Prodoc Signature (i.e. date project began)		May 1996
		Closing Date	Proposed: Sept 2001	Actual: Sept 2005
Prepared by: Pallavi Nuka	Reviewed by: Neeraj Negi	Duration between effectiveness date and original closing (in months): 60	Duration between effectiveness date and actual closing (in months): 108	Difference between original and actual closing (in months): 48
Author of TE: Roland Wong, Mission Leader, Dr. Irshad Ahmad, Jehanara Moeen, Javed Ali Khan		TE completion date: Oct 2005	TE submission date to GEF EO: Nov 2005	Difference between TE completion and submission date (in months): 1

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

2. SUMMARY OF PROJECT RATINGS AND KEY FINDINGS

Please refer to document GEF Office of Evaluation Guidelines for terminal evaluation reviews for further definitions of the ratings.

Performance Dimension	Last PIR	IA Terminal Evaluation	IA Evaluation Office evaluations or reviews	GEF EO
2.1a Project outcomes	**S**	**S**	**N/A**	**MU**
2.1b Sustainability of Outcomes	**N/A**	**N/A**	**N/A**	**MU**
2.1c Monitoring and evaluation	**N/A**	**N/A**	**N/A**	**U/A**
2.1d Quality of implementation and Execution	**S**	**S**	**N/A**	**MU**
2.1e Quality of the evaluation report	**N/A**	**N/A**	**N/A**	**MS**

2.2 Should the terminal evaluation report for this project be considered a good practice? Why?

This TE report should not be considered a good practice because it lacks an assessment of the project's M&E system and it does not present any information on actual project costs or cofinancing amounts.

2.3 Are there any evaluation findings that require follow-up, such as corruption, reallocation of GEF funds, mismanagement, etc.?

No such findings were noted in the TE report.

3. PROJECT OBJECTIVES

3.1 Project Objectives

a. What were the Global Environmental Objectives of the project? Were there any changes during implementation?

The global environmental objective of FERTS, as noted in the ProDoc was to "reduce at source emissions of greenhouse gases (GHGs) and other pollutants by improving fuel efficiency of road transport vehicles in Pakistan (p. 43)."
The terminal evaluation does not report any change in the Global Environmental Objectives during project implementation.

b. What were the Development Objectives of the project? Were there any changes during implementation?(describe and insert tick in appropriate box below, if yes at what level was the change approved (GEFSEC, IA or EA)?)

As stated in the ProDoc, the development objective of FERTS was "to achieve a reduction in carbon emissions in the short-term through the introduction and promotion of instrumented vehicle engine tune-up technologies in the country (p.1)." The project aimed to establish engine tune-up training centers throughout the country and to enhance service sector capacities. The project also aimed to create a revolving loan program to help entrepreneurs finance the cost of purchasing tune-up equipment.

The immediate objectives of the project as listed in the ProDoc were:

1. Development of a market for instrumented tune-ups through tune-up demonstration and training centers. This was to be achieved through the establishment of 10 gasoline and 5 diesel tune-up demonstration centers, training of workshop owners and mechanics, promoting awareness on instrumented tune-ups and strengthening and building the capacity of the appropriate government institutions;
2. Provision of financing for the purchase of tune-up equipment. Through the establishment of a revolving loan fund (RLF), loans at concessionary borrowing rates could be disbursed to sustain the growth of tune-up centers.
3. Development of options for sustaining fuel efficiency in the road transport sector. Special studies would identify the policy areas to be developed, conducting special studies, and dissemination workshops; and

The mid-term review of FERTS in October 1999 recommended structural changes to the project to achieve the original 1996 objectives. This included changes to the management structure and additional project personnel. The project's logical framework was updated in August 2003 to revise some project indicators and targets. The MTE emphasized gender issues and the need to be more inclusive of women in this project. Consequently in 2001, a gender strategy was added to the project.

Overall Environmental Objectives	Project Development Objectives	Project Components	Any other (specify)
		X	Targets Management

c. If yes, tick applicable reasons for the change (in global environmental objectives and/or development objectives)

Original objectives not sufficiently articulated	Exogenous conditions changed, due to which a change in objectives was needed	Project was restructured because original objectives were over ambitious	Project was restructured because of lack of progress	Any other (specify)
			X	

4. GEF EVALUATION OFFICE ASSESSMENT OF OUTCOMES AND SUSTAINABILITY

4.1.1 Outcomes (Relevance can receive either a satisfactory rating or a unsatisfactory rating. For effectiveness and cost efficiency a six point scale 6= HS to 1 = HU will be used)

a. Relevance	Rating: S
This project is consistent with GEF OP-5 and with country priorities. The Government of Pakistan's (GoP) 7th Five-Year Plan states energy efficiency and conservation as an objective for all sectors. The Plan's strategy for the road	

transport sector also has guidelines for environmental quality standards. Project outcomes contribute to reducing fuel consumption, establishing emissions standards, and putting in place measures to monitor and control vehicle emissions. The FERTs Mid-Term Evaluation (1999) emphasized gender issues and increasing sensitivity towards women drivers in a largely male-dominated sector. In response, FERTS has ensured that tune-up training is gender sensitive and has provided special discounts to women drivers bringing their vehicles into tune up centers (PIR, 2002). These project actions link with the GoP's policies of the need to advance the cause of women and support the Convention on the Elimination of all Forms of Discrimination Against Women (CEDAW). UNDP has assisted in the preparation of a national program for the implementation of CEDAW.

b. Effectiveness **Rating: MS**

The project has achieved or exceeded targeted outcomes in two out of the three main components. The project has created a market for instrumented tune-ups through the establishment of tune-up demonstration and training centers. Awareness of the importance of engine tune-ups has increased among private vehicle owners, mechanics, and station owners. The project has also conducted background studies on environmental regulations and fuel efficiency in the transport sector and submitted policy recommendations to the Government of Pakistan.

The first component focusing on demonstration tune-up centers and training has been the most successful. 50 instrumented tune-up facilities were established as demonstration centers. Workshops and training sessions were held for service station owners and mechanics. Project support in the form of technical assistance to those owners who purchased tune-up equipment proved critical. By project close in 2005 there were 400 privately owned instrumented tune-up centers in the country, starting from a baseline of zero in 1996. These 400 tune-up centers were established without any financing from this project. The TE report notes that the training activities were useful in enhancing job skills and environmental awareness.

The project has contributed to the increased level of awareness about the effects of vehicular emissions and the need for tune-ups. The project has developed and disseminated publicity materials through the demonstration tune-up centers, organized a campaign offering free tune-ups, and developed links with various NGO and institutional stakeholders. As measured through project surveys, the level of awareness has increased significantly among the more affluent private car owners, including women, but the awareness among marginal earners and commercial vehicle operators was much lower.

The other project components have not been as effective in achieving their expected outcomes. Progress in implementing the revolving loan fund has been slow. By the project's close, the Energy Conservation Fund (ECF) and a board of directors had been established, but no loans had yet been disbursed. This was due to delays in selecting a financial institution to manage the disbursement of loans, and to the lack of understanding of project objectives by the financing institutions. The TE report notes that the project team had insufficient experience in setting up such a program, and that the efficiency of project delivery would have improved through the short-term recruitment of a micro-finance specialist with international SME experience.

Under the third component, the project funded 12 studies (4 nearing completion) related to fuel efficiency in the road transport sector. However, the TE report notes that many of the studies were not of good quality and have had limited influence on national or provincial policy.. Four studies did catalyze various government departments into formulation of policies including the improvement of motor vehicle inspectors and vehicle emission standards. Other studies, such as the one on fuel efficiency in the trucking sector have not had any public policy or public awareness impacts. The studies were prepared by outside experts with limited collaboration with the executing agency staff. Consequently this component has not served to increase institutional capacity of the executing agency to undertake such studies by itself.

c. Efficiency (cost-effectiveness) **Rating: U**

Although the project met or exceeded targets in several areas, it failed to deliver effective outcomes in the second component, and the third component has had very limited impacts. Moreover, there was a four year delay in project completion.

Actual project costs were $8.24 M, almost $1 M over the expected cost of $7.22 M. Although the amount of the GEF grant did not change, the co-financing from the GoP and the private sector increased from the expected amount to $0.72 M to an actual amount $1.24 M. The increase in costs, delay in project implementation, and the project's poor performance in 2 out of 3 components means that the project had low cost-effectiveness in delivering the expected outcomes.

4.1.2 Impacts: summarize the achieved intended or unintended impacts of the project.

The project has impacted the automotive service sector and enhanced public awareness about the importance of engine tune-ups for increased fuel efficiency, improved air quality and better public health. The project has catalyzed private investment by service station owners in tune-up instrumentation and led to the growth of a market for engine tune-ups. Private vehicle owner-operators, comprising an estimated 30 – 40% of vehicles on the road, have become aware of the need for regular engine tune-ups. The project has enhanced job skills through the trainings for mechanics and the creation of new business opportunities for service station owners and entrepreneurs. The project has supported the successful establishment of 400 new, privately financed, engine tune-up centers. The project's efforts to incorporate gender into project activities have had modest impacts, including greater awareness among women drivers about the need for engine tune-ups and the participation of a few women in the technical training sessions.

There is mixed evidence about the project's impacts on GHG emissions. The TE reports, "the actual reductions were too small to conclude that FERTS developmental objectives were met (p. 14)." However, the 2005 PIR, presented estimates that 466,000 vehicles had instrumented engine tune-ups during that year. This was estimated to result in 270,251 tCO2 avoided for the year, slightly over the target amount of 262,040 tCO2 avoided annually (ProDoc; 23-24).

4.2 Likelihood of sustainability. Using the following sustainability criteria, include an assessment of **risks** to sustainability of project outcomes and impacts based on the information presented in the TE. Use a four point scale (4= Likely (no or negligible risk); 3= Moderately Likely (low risk); 2= Moderately Unlikely (substantial risks) to 1= Unlikely (High risk)). The ratings should be given taking into account both the probability of a risk materializing and the anticipated magnitude of its effect on the continuance of project benefits.

a. Financial resources **Rating: ML**

The Energy Conservation Fund (ECF) has a GEF seed grant of $3 M and has a potential to sustain the growth of SME fuel efficiency initiatives in Pakistan through the revolving loan fund. The Fund has been established but has not yet disbursed any loans. Its sustainability will depend on how well it is supported, marketed and managed by its Board of Directors and the National Energy Conservation Center (ENERCON). So far, the tune-up centers have relied on subsidies in the form of freely available technical support and customer discounts sponsored by the project, and there is some risk that the tune-up centers may not be financially viable operations without subsidies.

b. Socio political **Rating: ML**

The demand for tune-up centers will likely be sustained by the strong response and involvement of the private sector. Stakeholders in the automotive service sector currently view this as a viable business opportunity, although this may change if subsidies are removed. Public support for project outcomes is increasing. Private vehicle owners are aware of the need for instrumented tune-ups for both fuel efficiency and environmental quality purposes, although the demand for tune-ups by commercial vehicle owners (taxis, buses, etc.) is still weak. There has been no notable political support or opposition to the program.

c. Institutional framework and governance **Rating: MU**

There is no clear institutional framework to sustain project outcomes. ENERCON may utilize ECF resources to continue project activities such as the on-going training of mechanics and honoring technical support agreements. There are significant risks that ENRECON, which is part of the Environment Ministry, will not have the personnel and financial resources to sustain project activities and outcomes.

The sustainability of the revolving loan fund will be dependent on how well it is managed, marketed and supported. While there are some risks with ENERCON managing the loan fund through the ECF, these risks are offset by the ECF's Board of Directors, which includes an equal number of private sector and public sector members and one person from UNDP.

There has only been minimal adoption by the GoP of the project's special studies on fuel efficiency in the road transport sector. Furthermore, there is no emergence of any national government agencies to monitor and regulate the standards of the tune-up centers. While there are sufficient incentives for the industry to self-regulate, including strong technical support from the suppliers of the tune-up equipment, some form of government monitoring is required to ensure that service station owners and vehicle owners are following the appropriate guidelines.

d. Environmental **Rating: L**

As long as the engine tune-up instruments are maintained appropriately there are no environmental risks.

4.3 Catalytic role

a. Production of a public good

The project has produced 12 studies relating to fuel efficiency in the road transport sector and raised awareness about the importance of instrumented engine tune-ups.

b. Demonstration

The project has established 50 demonstration tune-up centers and effectively trained station owners and mechanics on

instrumented engine-tune ups. The project's public awareness campaigns have improved knowledge about the need for engine tune-up and resulted in more cars being brought into tune-up centers. The project has provided technical assistance to owners/investors interested in setting up private tune-up centers. Oil companies and vehicle manufacturers, who have been very important partners in the implementation of the project, have also followed ENERCON's lead and have begun to show interest in developing their own national environmental programs.

c. Replication

The project has supported replication at the national level. 400 privately financed tune-up centers were established as an indirect result project activities. Additional tune-up centers will be established once the revolving loan fund is operational.

d. Scaling up

As a result of this project, there has been a distinct change in ENERCON'S focus from simply energy efficiency to a stronger emphasis on environmental issues. This is reflected in the outlook of the personnel employed at ENERCON, who appear to have developed a high level of awareness on environmental issues. The project has strong potential for scaling up considering the strong private sector involvement and the number of tune-up centers already established. Policy level impacts were weaker than expected in the ProDoc. The Ministry of Environment is revising motor vehicle standards based on the availability of instrumented tune-up centers. All four provincial governments are seeking ways to implement vehicle inspection and certification systems. The GoP is working with Original Equipment Manufacturers to phase out some types of engines.

4.4 Assessment of processes and factors affecting attainment of project outcomes and sustainability.

a. Co-financing. To what extent was the reported cofinancing (or proposed cofinancing) essential to achievement of GEF objectives? Were components supported by cofinancing well integrated into the project? If there was a difference in the level of expected co-financing and actual co-financing, then what were the reasons for it? Did the extent of materialization of co-financing affect project's outcomes and/or sustainability? If it did, then in what ways and through what causal linkages?

The actual co-financing amount of $1.24 M exceeded the proposed amount $0.72 M because the project closed 48-months later than expected and the number of tune-up centers established exceeded the expectations. The GoP contributed $0.58 M through in-kind contributions, salaries for project team personnel, and office resources. This co-financing was important for supporting the project team throughout implementation. The remaining co-financing of $0.68 M came from the private sector in the form of engine-tune up equipment, training sites, and service station locations. This was critical for establishing the demonstration tune-up centers and providing training for mechanics and owners. The private sector (primarily oil companies, workshop owners and vehicle manufacturers) has been extremely supportive of project activities and readily sponsored or contributed towards the cost of such activities. Private sector involvement has had positive impacts on sustainability, as the establishment of additional tune-up centers is likely to continue even without project support.

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

The project closed 48 months later than planned due to several delays in implementation. The project was granted an extension in 2001 and another extension in 2003. The extensions were necessary to enable the project to achieve its expected outcomes. By 2001 only 10 demonstration tune-up centers had been established, and the project had not commenced any of the trainings or workshops.

There is no information in the TE report about the precise reasons for the slow place of implementation in the project's first years 1996-2000. Based on the 2000 PIR, the initial project team and project manager were unable to effectively implement the program. Following the mid-term review, the project team and management structure were overhauled in 2001 and the pace of implementation improved.

Following the mid-term review the project was delayed by the decision to establish demonstration tune-up center at filling stations and the difficulties in convincing technical training institutes to participate in the program. Siting the demonstration tune-up centers at filling stations necessitated approval from the national managements of oil companies and it required legal clearance from seven national government agencies. Initially, it was also difficult to convince and bring on board technical training institutes, being government organizations, to conduct training courses on behalf of the project. However, the project team thought it essential to utilize the services of these institutions for the continuity and sustainability of the program.

The Energy Conservation Fund has experienced delays in finding an appropriate financial institution (FI) to manage disbursement of loans through the revolving loan fund. The Board of Directors of the ECF issued an RFP from FIs in 2002 but, due to poor response and some miscommunication over project objectives, issued another RFP in 2004. It wasn't until 2005 just before the project's close, that the Board picked two FIs to manage the loan component.

c. 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 has had positive impacts on project outcomes and sustainability. Following the mid-term review,

the project was restructured to include a Project Steering Committee (PSC) chaired by the Secretary Ministry of Environment. The PSC has been very active in steering project implementation. The PSC delegated authority to the National Project Director for the selection of tune-up centers. As a result, the project was able to establishadditional tune-up centers in a short span of time and exceed targeted outcomes. The GoP has also been receptive to the studies produced by the project, and the Environment Ministry has provided feedback to the project team on several studies.

4.5 Assessment of the project's monitoring and evaluation system based on the information in the TE

a. M&E design at Entry Rating (six point scale): MS
The ProDoc's M&E system included a list of indicators for each immediate objective and related outputs as well as a detailed project work plan. The ProDoc specified that impacts on GHG emissions levels would be monitored through the course of the project. However there was no logical framework included in the ProDoc, and there were no set baselines. The ProDoc specified that "detailed procedures for M&E" and baseline criteria would be developed once the project started (p. 63).
b. M&E plan Implementation Rating (six point scale): UA
There is no information in the TE report on M&E implementation. Based on the APRs, the project did develop a logical framework with measurable indicators for each immediate objective. This log-frame was consistently used to measure progress towards project objectives. The project also monitored air quality and estimated reductions in CO2 emissions.
b.1 Was sufficient funding provided for M&E in the budget included in the project document? Yes, the ProDoc specified that one of the project specialists supplied by the GoP would be in charge of M&E activities.
b.2a Was sufficient and timely funding provided for M&E during project implementation? No, the project was initially understaffed and there are no M&E results from the project first 4 years.
b.2b To what extent did the project monitoring system provided real time feed back? Was the information that was provided used effectively? What factors affected the use of information provided by the project monitoring system? The project surveyed those who participated in the training programs and vehicle owners who participated in the tune-up program, but it's not clear if this information was fed back into the M&E system.
b.3 Can the project M&E system (or an aspect of the project M&E system) be considered a good practice? If so, explain why. Unable to assess.

4.6 Assessment of Quality of Implementation and Execution

a. Overall Quality of Implementation and Execution (on a six point scale): MU
b. Overall Quality of Implementation – for IA (on a six point scale): MU
Briefly describe and assess performance on issues such as quality of the project design, focus on results, adequacy of supervision inputs and processes, quality of risk management, candor and realism in supervision reporting, and suitability of the chosen executing agencies for project execution. The IA for this project was UNDP. Based on information in the 2003 APR, UNDP chose ENERCON as the executing agency based on the impression that ENERCON would enjoy would enjoy significant autonomy. At the time the project was drafted, ENERCON was an autonomous federal agency under the Ministry of Environment, Urban Affairs, Forestry and Wildlife. An underlying assumption of the ProDoc was that the government would take legislative action to enact an Energy Conservation and Management Bill establishing a firm legal and organizational framework for the National Energy Conservation Program in the country and transforming ENERCON into a fully autonomous agency charged with an expanded mandate (p. 38). This was seen as an essential condition for the success of the project. However, after the project started, ENERCON lost significant autonomy during a phase of government restructuring. It was fully incorporated into the Ministry of Environment, Local Government and Rural Development in 1997 and faced funding and personnel shortfalls. ENERCON could not provide a fully staffed project team. The project design was not flexible enough to work around this difficulty. Another flaw in project design was the poor integration of the gender component. This was added to the project following the mid-term review, but it was never adopted as a genuine program objective. The project log-frame was never updated to include gender-related indicators for any of the outcomes, and program activities (i.e. special studies or the revolving loan fund) were never re-formulated to support the inclusion of women or consider gender impacts. The TE report contains little information about implementation during the project's first years 1996-2000. Based on information in the TE report, UNDP oversight was inadequate given the level of capacity in the project team and in the executing agency, ENERCON. While UNDP did provide "some internal monitoring and backstopping support for project workshops, major project decisions, recruitment and procurement decisions…, the project would have benefited from increased monitoring and audits from UNDP (p. 9)." UNDP oversight did include regular visits and

communications between the Project Management Office and UNDP (UNDP Pakistan and UNDP-GEF). The TE report notes "without this support, the project would have undoubtedly experienced further delays (p. 9)."

The mid-term review was conducted in a timely manner and the recommendations to restructure the project management were effectively implemented by the IA. A UNDP representative participated in the Project Steering Committee, which provided clear direction for the project following the MTE. Based on the APRs, reporting by UNDP has provided a realistic picture of project implementation.

c. Quality of Execution – for Executing Agencies[1] (rating on a 6 point scale) MU

Briefly describe and assess performance on issues such as focus on results, adequacy of management inputs and processes, quality of risk management, and candor and realism in reporting by the executive agency.

The executing agency for this project was ENERCON. It was originally conceived that the project team would work closely with ENERCON in implementing this project. In reality the Project Management Office (PMO) has operated quite independently of ENERCON. In 1997, ENERCON became an attached department of the Ministry of Environment, and according to the TE report "has [since] faced difficulties attracting staff to fill its numerous vacancies (p. 20)." ENERCON and the PMO did not have a smooth working relationship, and ENERCON appears to have left the PMO to operate largely on its own. The TE notes that that the PMO has "delivered most of the outputs within a fairly difficult working environment (p. 20)." The PMO was understaffed in the first years of the project. Based on information in the TE report, the PMO did initiate efforts to work with ENERCON and build its technical capacity, but these efforts were "futile." This lack of personnel and the lack of a collaboration with ENERCON has made it challenging for the project to achieve its targeted outcomes and ensure the sustainability of those outcomes after the project's close.

Following the mid-term review, the PMO was restructured and the quality of execution improved. The new project manager maintained a better focus on results and the new Project Steering Committee helped push the project along. The TE report notes, "good project management was largely responsible for meeting the immediate goals of developing a market for tune-up centers." The project achieved or exceeded the number of tune-up centers, and met targets for Special Studies. After 2000, annual reporting by the project team through PIRs was realistic and detailed. In other areas, the PMO was not able to meet objectives. The goal of a functional revolving loan fund was not achieved before the project closing. The project management was also not sufficiently flexible in adapting the public awareness program to reach marginal income operators and operators of commercial trucks and buses.

5. LESSONS AND RECOMMENDATIONS

Assess the project lessons and recommendations as described in the TE

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

1. The presence of a strong project steering committee mechanism and the proper delegation of authority to the national project director are essential to any project's success. Minutes from FERTS project steering committee meetings and tripartite reviews contained detailed discussions of items critical to the progress of the project and decisive measures to move the project forward. Without the direction from the project steering committee, FERTS would have been far behind its targets.

2. Specialized consulting expertise can provide significant and timely project benefits. Deploying an expert with international experience at the start of the special studies and the revolving loan fund would have increased the probability of better outcomes. This would have included a micro-credit specialist for the RLF and a strategic transport planner for the special studies. In addition, a project management specialist would have provided valuable guidance in the allocation of project resources.

3. A structured strategic planning exercise would have facilitated a better outcome from the special studies component. With the lead of a strategic transport planner, broad priorities of the road transport sector would have been identified with corresponding and appropriate actions within a format of a logical framework matrix. This would include a mission statement, identification of challenges and strategic priorities (such as strengthening policies and administrative processes, creating awareness, addressing certain transport sub-sector priorities such as commercial and fleet vehicles,

[1] Executing Agencies for this section would mean those agencies that are executing the project in the field. For any given project this will exclude Executing Agencies that are implementing the project under expanded opportunities – for projects approved under the expanded opportunities procedure the respective executing agency will be treated as an implementing agency.

and capacity building) and proposing specific actions to address the strategic priorities. Specific actions would have been the basis of special study topics. The qualified strategic transport planner (with international experience) could have facilitated a strategic planning session to elicit responses from participants on contributions to a road transport strategic plan.

4. Flexibility should be built into project design in the event of changes in government policy and commitments. Prior to its commencement, a key to a fully successful outcome of FERTS was a completely autonomous ENERCON, allowed to operate beyond its mandate as a government organization. ENERCON is currently not the autonomous organization as envisaged, and has been operating since 1997 as a department under the Ministry of Environment with numerous technical positions that have been vacant for years. The establishment of the ECF is due to flexibility in project design, allowing ENERCON to operate under a company limited by guarantee and on a better platform to further its mandate of promoting energy efficiency and conservation. ENERCON will need to ensure full and effective management of the ECF.

b. Briefly describe the recommendations given in the terminal evaluation

The Evaluation Team provides the following recommendations to the Government of Pakistan to strategically reduce their reliance on imported fuels, improve urban environmental quality and improve their foreign balance of payments:

1. Provide commitments (financial and increased technical staff levels) to strengthen ENERCON and its staff. Strong consideration should be given to enacting an Energy Conservation and Management Bill that would return ENERCON to its autonomous status prior to 1997. This would provide incentives for young and experienced professional staff to fill the numerous vacancies in ENERCON, and strengthen ENERCON to meet its objectives of energy efficiency and conservation.

2. Provide appropriate support to further development of the strategically important Energy Conservation Fund as a primary means to fund fuel efficiency initiatives for SMEs. This would include formulation of a strategic business plan to focus ECF resources towards a niche group of SME vehicle repair facilities; providing administrative and technical support to promote and manage the fund; and supervising existing tune-up centers to maintain quality standards. Further efforts can also be made towards strategically positioning the ECF to finance fuel efficiency activities for marginal income vehicle operators and operators of commercial trucks and buses;

3. Conduct a strategic planning exercise (through ENRECON) to determine the country's priorities on improving fuel efficiency in the road transport sector.

5. Continue programs to remove regulatory barriers to further improvements to fuel efficiency of road transport vehicles including setting of emission standards for all road vehicles and strengthening enforcement capacities of those standards;

6. Implement programs to create awareness and actions towards fuel efficiency across a wider demographic in the road transport sector. The inclusion of comprehensive gender sensitive programs would only increase the effectiveness of these awareness programs.

7. Initiate studies and actions that provide opportunities for larger GHG reductions in the road transport sector. Based on a review of regional sustainable transport initiatives, the GoP can undertake a number of measures including improving traffic management and shifting public reliance of urban transport towards more sustainable options such as mass transit and non-motorized transport modes.

The Evaluation Team provides recommendations to the UNDP on how they could assist the GoP in fuel efficiency in the road transport sector:

1. Support concerted efforts by the GoP for the institutional strengthening of ENERCON including strategic guidance and technical assistance to the organization.
2. Solicit commitment by GoP to the development of a follow-up project to FERTS that would support their efforts to promote sustainable road transport across a wider demographic. This can be a comprehensive GEF-funded project with a strengthened ENERCON as an implementing agency and using the revolving loan fund as an instrument for funding fuel efficiency initiatives. The project should conduct studies that will support policy development and strategies to reduce transport fuel consumption and pollution through climate friendly transport alternatives.

6. QUALITY OF THE TERMINAL EVALUATION REPORT

6.1 Comments on the summary of project ratings and terminal evaluation findings based on other information sources such as GEF EO field visits, other evaluations, etc.

Provide a number rating 1-6 to each criteria based on: Highly Satisfactory = 6, Satisfactory = 5, Moderately Satisfactory = 4, Moderately Unsatisfactory = 3, Unsatisfactory = 2, and Highly Unsatisfactory = 1. Please refer to document GEF Office of Evaluation Guidelines for terminal evaluations review for further definitions of the ratings. Please briefly explain each rating.

6.2 Quality of the terminal evaluation report	Ratings
a. To what extent does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives? The project contains a comprehensive assessment of outcomes and impacts relative to the project's objectives.	S
b. To what extent the report is internally consistent, the evidence is complete/convincing and the IA ratings have been substantiated? Are there any major evidence gaps? The report is largely consistent. Information on project implementation and the roles of the EA and IA is insufficient. There is also some inconsistency in reporting the levels of GHG emissions avoided. The methodology for estimating avoided emissions is not clear.	MU
c. To what extent does the report properly assess project sustainability and /or a project exit strategy? The report discusses the sustainability of outcomes in each component and presents a detailed exit strategy.	S
d. To what extent are the lessons learned supported by the evidence presented and are they comprehensive? The lessons learned are comprehensive and well supported by the evidence on project outcomes.	S
e. Does the report include the actual project costs (total and per activity) and actual co-financing used? The report does not include any information on actual project costs or actual co-financing used. This TER relies on the 2005 and 2006 APRs.	U
f. Assess the quality of the reports evaluation of project M&E systems? The TE report does not contain an assessment of the project's M&E system.	U

7. SOURCES OF INFORMATION FOR THE PRERATATION OF THE TERMINAL EVALUTION REVIEW REPORT EXCLUDING PIRs, TERMINAL EVALUATIONS, PAD.