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

1. Project Data

Summary project data			
GEF project ID		4147	
GEF Agency project ID		103017	
GEF Replenishment Phase		GEF 4	
Lead GEF Agency (include all for joint projects)		UNIDO	
Project name		Industrial Energy Efficiency in Ecuador	
Country/Countries		Ecuador	
Region		Latin America and Caribbean	
Focal area		Climate Change	
Operational Program or Strategic Priorities/Objectives		CC – 2 – Promoting energy efficiency in the industrial sector	
Executing agencies involved		Ministry of Electricity and Renewable Energy (MEER), Ministry of Industries and Productivity (MIPRO)	
NGOs/CBOs involvement		None	
Private sector involvement		Consultations with - National Federation of Chambers of Commerce and Industry; Chamber of Industry of Guayaquil, the Chamber of Industry of Cuenca, the Chamber of Small Industries of Pichincha (CAPEIPI), and the Chamber of Industry and Production.	
CEO Endorsement (FSP) /Approval date (MSP)		May 20, 2011	
Effectiveness date / project start		July 6, 2011	
Expected date of project completion (at start)		7 May, 2014	
Actual date of project completion		September 30, 2015	
Project Financing			
		At Endorsement (US $M)	**At Completion (US $M)**
Project Preparation Grant	GEF funding	0.08	
	Co-financing	0.15	
GEF Project Grant		0.92	NA
Co-financing	IA own	0.06	NA
	Government	2.29	NA
	Other multi- /bi-laterals	0	NA
	Private sector	2.07	NA
	NGOs/CSOs		
Total GEF funding		0.99	NA
Total Co-financing		4.58	NA
Total project funding (GEF grant(s) + co-financing)		5.57	NA
Terminal evaluation/review information			
TE completion date		March 2015	
Author of TE		UNIDO	
TER completion date		January, 2017	

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TER peer review by (if GEF IEO review)	Molly Fahey Watts

2. Summary of Project Ratings

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

3. Project Objectives

3.1 Global Environmental Objectives of the project:

As stated in the Terminal Evaluation (TE), the Global Environmental Objective of the project is to 'improve the Energy Efficiency (EE) of Ecuadorian Industrial Sector leading to reduced global environmental impact and enhanced competitiveness through the development of national energy management standards and application of systems optimization' (TE, 99).

3.2 Development Objectives of the project:

The project objective, as stated in the request for CEO endorsement, is "To Promote energy efficiency improvements in the Ecuadorian industry through the development of national energy management standards and application of systems optimization." (Request for CEO Endorsement p.1) The project seeks to address some of the existing barriers to industrial energy efficiency in the Ecuadorian industrial sector, to deliver measurable results and to make an impact on how Ecuadorian industries manage energy through an integrated approach that combines capacity building and technical assistance interventions at the policy and energy efficiency project level.

The four objectives, with specific outputs and activities, defined in the CEO endorsed document are stated below:

Component 1: Analysis of industrial EE institutional and regulatory arrangements and development of tools to facilitate EE measures adoption.

Specific outputs under this component included developing policy measures that may lead to development and improvement of EE related regulatory framework; raising public awareness on Energy Efficiency Law; developing guidelines for financial evaluation of industrial energy efficiency projects and national recognition programs for facilities that implement an energy management plan created

Component 2: National program to implement ISO-compatible energy management standard

National Energy Management Standard (EnMS) adopted (compatible with ISO EnMS) and structure and capacity in place for the promotion of implementation of EnMS; 200 industrial (at least) entities participate in awareness trainings and develop Energy Management plans and 50 entities implement these Energy Management plans.

Component 3: Capacity building for personnel involved in EE from the public and private sectors in the areas of energy management and system optimization and energy efficiency promotion

EnMS Training, system optimization and web-based tools developed; 25 EE professionals received expert level training in energy management; National information and awareness creation campaign developed and implemented; 50 EE professionals received expert level system optimization training.

Component 4: Demonstrated and measured energy savings in industrial entities through application of system assessment techniques by trained experts, leveraging additional energy savings as more industrial facilities will seek the implementation of systems optimization

25 in-depth energy system assessments are completed; 10 system optimization projects identified through assessments are implemented; results obtained through demonstration projects are disseminated.

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

No.

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 project is in line with the commitment of the Government of Ecuador to increase energy efficiency (EE) in the country. According to the Project Document (PD), the energy intensity in Ecuador has always been higher than in other Latin American countries, with industrial sector being one of the major consumers of diesel and electricity. Ecuador, where hydrocarbons reservoirs are located in ecologically sensitive areas, protection of these areas is a high priority for the government, reflected by the creation in 2010 of the Yasuni Ishpingo Tambococha (ITT) Trust Fund, by which a borad range of contributors support the decicions to forego the extraction of oil fields, consequently avoiding emission of 407 million tCO2. Despite initiatives taken by the Government of Ecuador in recent past like the National Plan for Energy Efficiency developed in 2004, with the objective of fostering 'the efficient use of energy at the national level, contributing to sustainable development'; regulatory framework which promotes energy conservation and clean technologies and the National Development Plan 2007-2010 that makes reference to energy efficiency in its policy objective 4.5, energy efficency has always been a low priority by the industrial sector due to numerous barriers – lack of knowledge and information, industrial management, limited policy and institutional support to industrial sector, that stood in the way of financing and implementing energy efficiency options. The project was designed to address some of these barriers through GEF support.

The project is also in compliance with GEF's strategic programme (SP) # 2 "Promoting Energy Efficiency in the Industrial Sector" and "Focal Area Strategies and Strategic Programmeming for GEF-4", dated July 25, 2007.

4.2 **Effectiveness**	Rating: Moderately Satisfactory

The Terminal Evaluation (TE) assigns a rating of 'moderately satisfactory' to the effectiveness of the project and this Terminal Evaluation Review (TER) concurs with the assigned rating.

The project proved to be effective by achieving its global targets which focused on the achieved energy savings and the annual emission reduction. The annual energy savings were estimated to be 199% of the target while the emission abatement was 139% compared to the target. The fact that both targets were surpassed indicates project's success in the implementation of energy efficiency actions as well as the appropriate estimation of the values. However, some of the relevant outputs which were not achieved and affected the achievement of project outcomes, and had implication on the sustainability of the project, include, no formulation of proposals on specific regulations related to energy efficiency; limited progress in the approval and recognition mechnisms for companies implementing EnMS and for certification of experts and project also failed to take up the national information dissemination and awareness campaign. TE ascribes a long approval process by MEER of some institutional or legal arrangement and delays in defining scope of activities related to policy regulation and nationwide dissemination of the information, as some of the reasons effecting the progress of the related project activities.

Achievements under various components of the project is detailed below:

Component 1: Analysis of industrial EE institutional and regulatory arrangements and development of tools to facilitate EE measures adoption.

As per the TE, Component 1 was designed on the assumption that a draft Act for the Energy Efficiency was going to be approved before the project inception. Project Results framework recognizes that Energy Efficiency (EE) Law formulation was in progress at the time of the design of the project, but promulgation of the same was not expected before end of 2011. While the project facilitated data collection and the detailed analysis of energy efficiency policy and measures, this couldn't lead to establishment of appropriate regulations by central government as well as local authorities, with EE Law still not approved by the Government. Other outputs related to 'preparation and dissemination of manual for financial evaluation of industrial EE projects' and 'formulation of recognition and award schemes for facilities that implement an energy management plan' were also partially achieved as both the documents were prepared by the project but reported to be in the process of approval at the time of TE. Risks and assumptions mentioned in the projects results framework also notes that achievement of this output impinged upon the support from the Government and willingness of the private sector organizations to be engaged in recognition schemes, which project failed to secure for this component.

Component 2: Supportive policies in place, compatible with ISO energy management standard (EnMS), for delivering sustainable improvements in energy efficiency in industry and contributing to improved international competitiveness

Positive achievements include the early approval of the national standard that follows ISO 50001 by respective authorities, the successful awareness raising campaign among relevant stakeholders and the implementation of this standard by a significant group of companies. In this regard, survey during TE showed a high motivation on EE improvement practices and a positive impression amongst participants about effectiveness of these activities. Target of 50 companies fully implementing an EnMS was not fully achieved which, as per the TE, did not affect the achievement of project outcome as the achieved result of 34 companies can be considered as a notable success when compared with other international project outputs.

However, the output focused on capacity building of relevant institutions (MEER, MIPRO, INEN, and OAE) involved in EnMS implementation couldn't be achieved fully. This not only limits the opportunities for a broader implementation of EnMS but may also have implications on the sustainability of the project.

Component 3: Capacity building for personnel involved in EE from the public and private sectors in the areas of energy management and system optimization and energy efficiency promotion

Most of the trainings designed under this component were organized. Some of the problems encountered during the implementation of this component, like certification norm for acquired expertise that was proposed by the project team, was still pending with the authorities at the time of TE. There was also low priority given to implement the national information campaign, which impacted the achievement of the overall objective of the project.

Component 4: Demonstrated and measured energy savings in industrial entities through application of system assessment techniques by trained experts, leveraging additional energy savings as more industrial facilities will seek the implementation of systems optimization

Focus of this component was to facilitate practical demonstration of the IEE solutions promoted by the project. The project successfully facilitated 25 in depth energy audits with the assistance of experts trained under component 3. Out of a target of 10 industries that were to implement recommendations of energy audits, only 4 finally showed interest to implement the pilots which. This, per the TE, is a significant progress given the international practice. Output related to information dissemination of selected case studies was not achieved. This output is shown as 'in progress' in the TE.

4.3 **Efficiency**	Rating: Moderately Satisfactory

The TE assigns rating to the efficiency of the project as 'moderately satisfactory' and this TER concurs with the rating. The project had undergone several delays due to legal approval and agreements, due to which the project finished a year later than planned. Also, the effective in-cash contribution by national counterpart took place 18 months after the estimated initial date. The national counterpart of the project only disbursed 50.8% of the total planned in cash contribution. But, as TE noted, these budget

restrictions were partially overcome and the key project outputs were achieved due to efficient management of the project. One of the positive achievements of the project was the additional mobilization of 884,460 USD from private sector during the project implementation. Both, the Project Steering Committee (PSC) and the project coordination by UNIDO, played a positive role in dealing with different stakeholders and keeping track of the project schedule and expenses and applying adaptive management from time to time.

4.4 **Sustainability**	Rating: Moderately unlikely

The TE doesn't assign ratings to the sustainability of the project but based on the evidence in the TE narrative, this TER assigns it a rating of 'moderately unlikely'. While there seems to be an overall enabling socio-political environment, this doesn't seem to be supported through adequate institutional mechanisms and allocation of financial resources to support energy efficiency in industry sector in Ecuador.

a. Financial Sustainability: Unable to assess

The TE doesn't assess this aspect in detail but provides it a rating of 'likely'. There is not enough evidence in the TE to assess the financial risks to continuation of project benefits.

b. Socio-political Sustainability: Moderately unlikely

The TE doesn't assess this aspect in detail but provides rating to the socio-political sustainability as 'likely'. Based on the limited evidence in TE and the additional information gathered through referring to the information from other secondary sources, TER assigns it a rating of 'moderately unlikely'. TE states that 'the sociopolitical' environment is favorable for further development of project outcomes'. TE also lists out several projects on clean development mechanism and energy efficiency implemented by Government of Ecuador in past. Other reports available on the web like 'Sustainable Energy for all: Rapid Assessment and Gap Analysis'[1] and 'Accelerating energy efficiency: initiatives and opportunities - Latin American Caribbean'[2], further point towards the willingness of the Government of Ecuador to support energy efficiency initiatives in future. The sustainability of project outcomes would also benefit from the approval of the National Law for the Public Service of Electric Energy (Ley Orgánica del servicio público de energía eléctrica) in January 2015, article 12 of which mandates the development of the National Plan of Energy Efficiency; and this article jointly with an adequate regulation would enhance the sustainability of the projects outcomes. But, as per TE, specific policies and regulations on energy efficiency in industry are still lacking.

c. Institutional Sustainability: Moderately unlikely

The TE doesn't provide rating to this aspect. Based on the evidence in the TE, this evaluation provides it a rating of 'moderately unlikely'. The project, through its various trainings and other activities, led to the successful generation of a pool of specialists for implementing energy management system as well as know-how on the implementation of actions for improving energy efficiency in the industry. This helped

[1] This document was prepared in 2013 under 'The Ministry of Electricity and Renewable Energy' with financial support from 'Inter-American Development Bank' and technical support of 'United Nations Development Programme'.

[2] A UNEP report prepared in 2015.

in creating momentum for energy efficiency development in several representative companies of the industrial sector. But these achievements are not backed by policy tools and programs to support energy efficiency in the industry. There are yet no schemes in place for training and certification of experts implementing EMS and energy system optimization. Moreover, in the absence of efficient mechanisms for encouraging companies to implement EMS and implement actions for increasing energy efficiency in industry and with information for companies willing to implement energy efficiency actions dispersed or not readily accessible, the momentum gained through the project can get easily lost with time. It is likely that without the enabling and supportive institutional environment, only a few and highly motivated companies would be willing to tap on to the resources generated through the project. TE also notes that UNIDO has been collaborating with the Ecuadorian government in the field of clean production strategies for some years, which allowed UNIDO field office to accumulate experiences and build networks, but was not put into use for the benefit of this project. A better synergy between the project and clean production activities would have reduced the risks affecting the sustainability of this project.

d. Environmental Sustainability: Likely

The TE doesn't cover this aspect but overall there no perceived environmental risks to the sustainability of the project outcomes.

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?

As per the TE, one national counterpart disbursed only 50.8% of the total planned cash contribution. This shortfall in the budget was overcome by managing the project in a cost-effective manner and the project was also able to mobilize an additional amount of 884,460 USD from private sector. TE doesn't provide a detailed account of the co-financing materialized. As per the CEO endorsement, private sector had committed a total amount of 2,078,178 USD and it's not clear from the TE whether this contribution was materialized. Delays in getting appropriate approvals and agreements during the start of the project resulted in delaying the co-financing from the national counterpart due to which PMU was understaffed during start of the project, delaying project activities.

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 was delayed by a year primarily due to a long process of approval by Ministry of Electricity and Renewable Energy (MEER) of some institutional or legal agreements that delayed implementation of some of the project activities. The MEER was also late in defining the scope and definition of the some of the project outputs. Moreover, the Project Management Unit (PMU) was not fully functional initially due to a delay in getting co-financing contributions from the MEER, that also delayed some of the project activities. Overall, the project was delayed by 18 months. However, the project steering committee played an active role and contributed to a flexible and adaptive management that helped get the project activities back on the track in the final years of the project. But delay in some of the

activities, like preparation of case studies based on 10 implemented projects couldn't be completed by the project end, due to which these case studies couldn't be used for a national awareness campaign on new EE technologies. However, the TE notes that MEER will continue executing the pending activities, particularly since 46% of the national funds allocated for co-financing was yet to be disbursed.

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 project had a moderate level of country ownership as reflected in the support received from three different ministries and other national organizations involved in the execution of the project. Initially, during the first two years, the project faced several administrative delays due to the long processes of approval from the concerned ministries. However, as the project progressed, the role taken by MEER and the Project Steering Committee (PSC), helped keeping project on track. The project was delayed by 18 months and most of the project outcomes, except policy reform and national awareness campaign, were largely achieved. The TE indicates that the MEER's understanding of project contribution to national energy development was centered on practical demonstration of energy efficiency tools, but not on the improvement of policy frameworks and national campaign for dissemination of information, achievement of which would have helped towards sustainability of the project. While the performance of MEER as project stakeholder demonstrated its commitment with achievement of project goals, effective engagement from ministries like MIPRO and other national stakeholders like INEN and OAE was below expectation, covered in more detail under section 7 below. Project also suffered from lack of coordination and synergy between MIPRO and MEER.

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

This review assigns M&E design a rating of 'satisfactory' based on the M&E plan presented in the CEO endorsement document. The M&E plan presented in document is comprehensive as it allocated budget, assigned responsibilities to concerned parties and indicated time frames for various types of monitoring and evaluation activities to be undertaken during project. The projects result framework defines SMART indicators for impacts; includes baseline information; sources of verification and risks and assumptions for achieving targets, with the understanding that these will be reviewed and finalized during project implementation.

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

The TE assigns M&E implementation a rating of 'highly satisfactory'. Based on the evidence in the TE, this TER assigns it a rating of 'satisfactory'. The project monitoring and evaluation (M&E) was conducted in accordance with UNIDO and GEF rules and regulations. Both UNIDO and the National Project Team were responsible for implementing the M&E system. The main M&E outputs were the quarterly progress report, annual reviews, midterm evaluation and the independent final evaluation. All these activities were developed following planned scheduled and allocated budget that was provided as co-financing by UNIDO. Execution of the M&E plan allowed project team and project steering committee to identify deviations from original plan in a timely manner, alert the team about difficulties in achieving outcome targets, formulate corrective actions and its follow up. The annual work plan and its budget were systematically updated based on information produced by M&E system.

7. Assessment of project implementation and execution

Quality of Implementation includes the quality of project design, as well as the quality of supervision and assistance provided by implementing agency(s) to execution agencies throughout project implementation. Quality of Execution covers the effectiveness of the executing agency(s) in performing its roles and responsibilities. In both instances, the focus is upon factors that are largely within the control of the respective implementing and executing agency(s). A six-point rating scale is used (Highly Satisfactory to Highly Unsatisfactory), or Unable to Assess.

Please justify ratings in the space below each box.

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

The TE assigns a rating to the quality of project implementation as 'moderately satisfactory' and this TER concurs with the rating. UNIDO project coordination was effective and timely that contributed to a flexible and adaptive project management style. However, there were a few issues noted in the TE, where UNIDO could have played a better role in project implementation. As per TE, some of the outputs defined originally in the approved project document, could have been revised as per the reality at the time of start of the project, where UNIDO could have played an active role. For instance, output 1.1 'policy measures that may assist in the effective development and improvement of the legal regulatory improvement under the Energy Efficient Law are identified and analyzed' could have been reformulated as the Energy Efficient Law was just a proposal at the time of project approval and was never introduced to the legislature, in which case proposal to strengthen the Law that didn't exist became irrelevant. Moreover, UNIDO had been collaborating with Ecuadorian government (MAE and MIPRO) in past in the field of clean production strategies. But the learnings from the experience and the network that UNIDO field office already had with the government department, was not being channelized and put into use for the benefit of this project. As the TE notes, 'better performance in this area would help to get farther achieving project outputs and to reduce risks affecting sustainability of project outcomes'.

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

The TE doesn't assign a rating to the quality of project execution. However, based on the evidence in TE, this TER assigns it a rating of 'moderately satisfactory'. The Ministry of Electricity and Renewable Energy (MEER), national counterpart leading project implementation, chaired the Project Steering Committee

(PSC) that met regularly, examined critical issues and made decisions to keep project activities on the track. As per the TE, 'performance of MEER as project stakeholder demonstrated its commitment with achievement of project goals'. However, the project suffered due to lack of effective engagement from other government departments like Ministry of Productivity and Industry (MIPRO) and Ministry of Environment (MAE). The project also suffered due to lack of synergy between MEER and MIPRO. The understaffing of the project management team during a long period also affected it's capacity for pursuing projects outputs. For instance, the position of the Project Manager was covered 7 months after the initial date of the project. Similarly, the position of Industry and energy expert, was occupied two and a half years after the project was initiated. During this period, the support to PMU activities from the technical divisions within MEER was below expectations. However, this situation was overcome during the last two years of project execution, during which MEER geared up and supported the project actively.

8. Assessment of Project Impacts

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

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

As per the TE, the energy savings and emission reductions calculated were based on the reports from 30 industrial plants who participated in the project activities. These reported on savings of electricity, diesel oil, fuel oil and LPG during a period of two years. Thus, annual savings target was achieved by 199% (achieved 378 T/year as against the target of 190 T/year) while the emission reduction by 139% (achieved 32,000tCo2/year as against the target of 23,000 tCo2/year) in relation to planned amount.

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.

None

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 conducted awareness and promotion workshops for more than 200 managers from the industry. Project helped in raising awareness amongst more than 400 industry representatives, and a pool of national experts received expert level training in energy management and system optimization. However, trained experts are yet to achieve their certification as norm for expert certification is still pending for approval.

b) Governance

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.

None.

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.

Unable to assess.

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 Lessons learned presented in the TE are presented below:

1. Lack of synergies between energy efficiency projects and Clean Production activities developed by UNIDO at local level drives to lose opportunities for a more efficient achievement of shared goals.
2. Provision in project budget of financial resources for gender mainstreaming actions is a precondition for achieving results on these issues by project team.
3. Imperfections of project design misguide the implementation of the project by management team and steering committee. But also significantly reduces the efficiency of monitoring and evaluation project activities. (TE p.39)

9.2 Briefly describe the recommendations given in the terminal evaluation.

The TE presents the following recommendations:

For MEER:

1. Strengthen institutional capacity to continue training of national experts in the field of energy efficiency. It is recommended that a national academic or skills development organization continue offering training on EE practices such as energy management systems, energy systems optimization, and financial evaluation of EE projects.
2. The Electricity Act, 2015 should consider the design of financial mechanism to promote EE investments; revising the mechanisms for importing consumer goods and industrial equipment required in EE projects and development of synergies among institutional stakeholders.
3. Develop synergies among institutions and improve communication with business sector on energy efficiency to facilitate the creation of entrepreneur's networks in this field. Identify, recognize and promote champion companies improving EE.
4. Implement mechanisms that provide systematic access to information and technical advice to private companies.

For UNIDO:

5. Avoid future inaccuracies following project design by carefully formulating outcomes, outputs and indicators.
6. Promote networking and experience sharing among specialists that participated in project activities.
7. Formulate a closing strategy to assure that pending activities will be completed.
8. Consider a second phase project given the momentum created by the first implementation phase. (TE p. 70-72)

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?	TE provides a satisfactory analysis for achievement as well as non-achievement of objectives, and assessment of relevant outcomes and impacts.	**S**
To what extent is the report internally consistent, the evidence presented complete and convincing, and ratings well substantiated?	The report was internally consistent but some aspects of the evaluation were not adequately covered. For instance, TE didn't provide rating to the 'quality of execution' and nor the role of UNIDO in project execution adequately covered. Use of ratings was not consistent throughout the report as TE used different scales for assessing the same aspect in different parts of the report. While in one section, the achievement of project targets is rated as 'partially with plus' or 'partially with minus', without description of the scale, in another section, the achievement of same outcomes is rated on the scale used by GEF IEO office.	**MS**
To what extent does the report properly assess project sustainability and/or project exit strategy?	TE neither provides rating nor does it cover different dimensions of sustainability adequately. While it does provide information on how the executing agency plans to complete some of the activities that couldn't be undertaken during the project due to delay in cofinancing, it doesn't throw much light on the possibility of continuity of some of the activities or initiatives taken under the project.	**MS**
To what extent are the lessons learned supported by the evidence presented and are they comprehensive?	Lessons learned are comprehensive and follow from the evidence presented in the main body of the report	**S**
Does the report include the actual project costs (total and per activity) and actual co-financing used?	TE includes activity wise detail of the expenditure till 2015 but doesn't include similar information on co-financing.	**MS**
Assess the quality of the report's evaluation of project M&E systems:	While TE provides its perspective and analysis on how some of the outcomes should have been reformulated for better understanding and interpretation at the time of the project start but it doesn't cover if the same was also felt by project management staff and the ones responsible for monitoring and evaluation. The high rating provided for the M&E system is not adequately backed up by convincing evidence.	**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).