GEFM&E Terminal Evaluation Review Form

1. PROJECT DATA

			Review date:	7/28/05
GEF ID:	531		at endorsement (Million US$)	at completion (Million US$)
Project Name:	Rural Environment Protection	GEF financing:	$3.00	ICR numbers inconsistent
Country:	Poland	Co-financing:	$12.2	ICR numbers inconsistent
Operational Program:	OP9	Total Project Cost:	$15.2	$0,00
IA	WB	Dates		
Partners involved:	EU (European Union), Nordic Environment Finance Corporation (NEFCO)	Work Program date		07/01/1998
		CEO Endorsement		01/22/1999
		Effectiveness/ Prodoc Signature (i.e. date project began)		03/09/2000
		Closing Date	Proposed: 04/30/2003	Actual: 04/30/2004
Prepared by: Antonio del Monaco	Reviewed by: Aaron Zazueta	Duration between effectiveness date and original closing: 3 years	Duration between effectiveness date and actual closing: 4 years	Difference between original and actual closing: 1 year
Estimated duration:	Actual duration:	TE completion date: May 31, 2004	TE submission date to GEF OME: 10/19/2004	Difference between TE completion and submission date: 5 months

2. SUMMARY OF PROJECT RATINGS

GEFME Ratings for project impacts (if applicable), outcomes, project monitoring and evaluation, and quality of the terminal evaluation: Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), Highly Unsatisfactory (HU), not applicable (N/A) and unable to assess (U/A). GEFME Ratings for the project sustainability: Highly likely (HL), likely (L), moderately likely (ML), moderately unlikely (MU), unlikely (U), highly unlikely (HU), not applicable (N/A), and unable to assess (U/A).
Please refer to document "Ratings for the achievement of objectives, sustainability of outcomes and impacts, quality of terminal evaluation reports and project M&E systems" for further definitions of the ratings.

	Last PIR	IA Terminal Evaluation	Other IA evaluations if applicable (e.g. OED)	GEFME
2.1 Project impacts	**N/A**	No rating	No rating	S
2.2 Project outcomes	S	S	S	S
2.3 Project sustainability	**N/A**	Likely	Likely	MS
2.4. Monitoring and evaluation	**N/A**	No rating	No rating	S
2.5. Quality of the evaluation report	**N/A**	**N/A**	S	S

Should this terminal evaluation report be considered a good practice? Why? No. There were some inconsistencies in actual project costs and co-financing. Also, baselines for estimated impacts (reduction of nitrogen pollution) were not presented to assess the impacts in the context of the regional problem (more information on this below).

3. PROJECT OBJECTIVES, EXPECTED AND ACTUAL OUTCOMES

3.1 Project Objectives

- **What are the Global Environmental Objectives? Any changes during implementation?**

ProDoc: The long-term goal of the project is to improve the quality of the water of the Baltic Sea by reducing non point source pollution from agriculture. Project activities are linked to the implementation of the Baltic Sea Joint Comprehensive Environmental Program and support Poland's compliance with the Helsinki Convention and the environmental directives of the European Union (EU). No changes during implementation

- **What are the Development Objectives? Any changes during implementation?**

Prodoc: The project's specific objective is to develop interventions which motivate farmers to reduce the release of organic matter and nutrients entering water bodies in target project areas. GEF funding will help remove institutional, financial and knowledge barriers which currently serve as disincentives to farmer adoption of environmentally sustainable agricultural practices. No changes during implementation

3.2 Outcomes

- **What were the key expected outcomes and impacts indicated in the project document?**

Not included in the project document.

- **What were the major project outcomes and impacts as described in the TE?**

From the OED evaluation summary: The project achieved the objective to increase the prevalence of environmentally responsible practices among eligible farms in target project areas. Specifically, the project assisted 749 farms in developing environmentally responsible Farm Management Plans (FMP) and provided environmentally friendly equipment for agriculture production to 600 farmers. 100% of the farms (952 farms) implemented slurry tanks and about 70% (672 out of a total of 952 farms) implemented manure pads. About 83% of the farms on more than 77% of the arable land covered use nutrient and farm management plans as proposed by the project. Buffer strips were developed on the land of 41 communities to protect water bodies and streams located in project areas. The project's geographical coverage was extended from three to four regions.

These improvements will result in a reduction of total nitrogen emissions from participating farms of 800 tones annually.

4. GEF OFFICE OF M&E ASSESSMENT

A Relevance **Rating: 5 (S)**

- **In retrospect, were the project's objectives, its design, expected outcomes (original and/or modified) consistent with the focal areas/operational program strategies? Explain**

Yes. The project is fully consistent with OP9 "Integrated Land and Water Multiple Focal Area Operational Program"

B Effectiveness **Rating: 5(S)**

I. To what extent did the project achieve the expected outcomes as described in the project document? **Rating: unable to assess**

There were no explicit expected outcomes in the project document

II. Are the project outcomes as described in the TE commensurable with the problems the project was intended to address (i.e. original or modified project objectives)? Explain **Rating: 5 (S)**

Yes, as discussed above under project outcomes/impacts with some sustainability shortcomings as described below.

C Efficiency (cost-effectiveness) **Rating: 5 (S)**

- **Include an assessment of outcomes in relation to inputs, costs, and implementation times based on the following questions: Was the project cost – effective? How does the cost-time Vs. outcomes compare to other similar projects? Where there any bureaucratic, administrative or political problems that delayed of affected in other ways the implementation of the project?**

Yes, the project was cost effective. The project was cost effective and the issues regarding lack of ministerial interest had little impact on the project.

4.4 Likelihood of sustainability. Using the following sustainability criteria, include an assessment of project sustainability based on the information presented in the TE.

A Financial resources	**Rating: 4 (MS)**
The ICR indicates that the incentive for participants to sustain the project results is the economic gain such as the savings on fertilizer as a result of improved farming practices. However, the ICR warns that one should not expect positive results in the development of the Polish agriculture if the extension service is not improved and properly financed. Currently, the estimated level of subsidies needed range from 10 to 90% of investment costs.	
B Socio political	**Rating: 5 (S)**
The ICR indicates that it is likely that the farmers will continue the use the environmentally responsible practices learned during the course of the project because, in addition to the economic benefits mentioned above, manure storing tanks and pads were properly constructed and they received intensive training and access to extension agents. A study showed that farmers may consider employing a pro-ecological activity potentially beneficial to their farm. Indeed, about 83% of farms (on more than 77% of arable land covered by the Nutrient Management Plan) use a nutrient management plan and a farm management plan. Unless farmers significantly increase the number of farm animals, the facilities will be sufficient for storage.	
C Institutional framework and governance	**Rating: 4 (MS)**
The ICR indicates that the EU requires that each milk-producing and each pork-producing farm has to have an appropriate certificate of food safety. The possession of the certificate constitutes not only a permit for operation but also results an increased sales opportunity: better prices for better quality milk (similarly, for pork farms). However, despite these EU requirements, the agricultural technical norms that have been developed, and the funds that have been spent on extension services, there continues to be little interest at the ministerial level to develop a more extensive agricultural extension system.	
D Ecological (for example, for coffee production projects, reforestation for carbon sequestration under OP12, etc.)	**Rating: 5 (S)**
Given that it is highly likely that the farmers will continue with the practices and using the equipment provided by the project, it is highly likely that the ecological benefits of reduced non-point source pollution will be sustained in the participating farms.	
E Examples of replication and catalytic outcomes suggesting increased likelihood of sustainability	**Rating: 3 (MU)**
The OED review indicates that the project replication strategy was inadequate because, although it provided a strategy before the accession of Poland to the EU, it did not provide solutions that would be effective in the period after accession. The ICR indicates that the replication strategy was based on the assumption that the National Fund for Environmental Protection and Water Management (NFEP) would implement future projects. Instead, after EU accession, all funds for agriculture project would be managed by the Agency for restructuring and Modernization of Agriculture (ARMA) which makes several administrative steps in the replication strategy no longer valid. It would be beneficial to rework the strategy so it reflects the project ideas and the role of the implementing agency (whichever). The strategy contains information about tank construction and is centered on agro-environmental advising, a key concept that proved to be essential to the success of the project.	

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

A. Effective M&E systems in place: What were the accomplishments and shortcomings of the project's M&E system in terms of the tools used such as: indicators, baselines, benchmarks, data collection and analysis systems, special studies and reports, etc.?	**Rating: 5 (S)**
The ICR indicates that key performance indicators were designed and they were closely monitored throughout the project life, based on the Project Status Reports (PSRs) evidence. The indicators of outcomes and outputs allowed continuous project progress supervision. The ICR also indicated that the project elaborated several agreements with the Voivodship Inspectorate of Environmental Protection to ensure monitoring of the environmental results for 3 years after the project completion in the 3 original project regions in exchange for lab equipment after 3 years if the agreement conditions are met. However, the 4th region (the Bug river) was not included in environmental monitoring activities. As designed, the monitoring system consisted of surface and groundwater measuring points (25 sampling and monitoring points located in the three original project areas, one small representative watershed in each) and flow meters on streams to perform analysis of samples of surface and ground water including nitrogen and phosphorus. However, the environmental results of the project, in terms of measurable reduction of nitrogen compounds in ground water, will not be visible until 5 to 10 years after project completion. The ICR indicates that monitoring of project results will be useful if the results are included in a broader database of	

environmental indicators and that such data bases are publicly available through Voivodship Inspectorate of Environmental Protection and its publications and could be further used in environment quality analysis and in new projects. There was no concrete evidence in the ICR that this was planned or done.
B. Information used for adaptive management: What is the experience of the project with adaptive management? Rating: 5 (S)
The ICR indicates that comprehensive monitoring of project activities was possible thanks to the development and maintenance of the Management Information System (MIS) implemented by the Project Implementation Unit (PIU). For example, PIU identified issues that were critical for project implementation which allowed the Steering Committee to select project target areas, and identify farms. In addition, PIU coordinated project implementation, established effective project management at local, approved applications from farmers to be included in the project scheme and supervised civil works.
Can the project M&E system be considered best practice? It is still early to determine the effectiveness of the system.

4.6 Quality of lessons
Weaknesses and strengths of the project lessons as described in the TE (i.e. lessons follow from the evidence presented, or lessons are general in nature and of limited applicability, lessons are comprehensive, etc.)

Strengths	Weaknesses
What lessons mentioned in the TE that can be considered best practice or approaches to avoid and could have application for other GEF projects?	
From the ICR: 1. Interventions involving changes in farming practices to reduce non point source pollution may require subsidies. Defining the subsidy level early on allows to assess the cost-effectiveness of the project and to estimate the costs of future interventions. 2. Strengthening extension services including funding mechanism are much needed to improve farming practices in Poland. 3. A demand-driven approach has a positive impact on project outcomes. 4. Convincing farmers about the necessity of certain technological solutions is possible through a local demonstration to prove that improvements are possible. 5. Gathering farmers in groups to request bids for equipment increases their bargaining power as shown by the low cost for construction of manure tanks. In this case companies participating in the tender were trying to enter the market and made very competitive offers. However, in some cases these offers were below costs which may compromise the sustainability of the operation. 6. Development of a project specific Management Information System (MIS) requires allocation of significant resources upfront. In the future, if possible, the system should be based on the simple existing systems that can be expanded overtime. 7. The experience of Local Implementation Team (LIT) showed that team members independent of central institutions in Poland such as a Ministry perform their job better because they are not weighted by the administrative constraints of their home institutions. In addition, private advisory services proved to work better than government services for this purpose in Poland.	

4.7 Quality of the evaluation report 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 the “Criteria for the assessment of the quality of terminal evaluation reports” in the document “Ratings for the achievement of objectives, sustainability of outcomes and impacts, quality of terminal evaluation reports and project M&E systems” for further definitions of the ratings.

4.7.1 Comments on the summary of project ratings and terminal evaluation findings
In some cases the GEF Office of M&E may have independent information collected for example, through a field visit or independent evaluators working for the Office of M&E. If substantial independent information has been collected, then complete this section with any comments about the project.

4.7.2 ratings	Ratings
A. Does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives? Yes, the ICR presents a good assessment of project outcomes and impacts supported by adequate evidence. However, the ICR did not present what percentage of the reduction in nitrogen attributed to project activities represented of total nitrogen emissions of the relevant project areas that contribute to pollution in the Baltic Sea. This information is essential to assess the real impact of the project and needs for future interventions.	5 (S)
B. Is the report internally consistent, is the evidence complete/convincing and are the IA ratings substantiated? The report is consistent, the analysis is complete and convincing.	5 (S)
C. Does the report properly assess project sustainability and /or a project exit strategy? Yes	5 (S)
D. Are the lessons learned supported by the evidence presented and are they comprehensive? Yes, the lessons are very useful for similar projects in the country and region.	5 (S)
E. **Does the report include the actual project costs (total and per activity) and actual co-financing used?** Yes, but the amounts do not add up correctly in the ICR so it is difficult to determine how the GEF funds were allocated. For example, according to the ICR the project costs appraisal estimate is US$15.8 million and the actual/latest estimate is US$18 million. However, the totals in the "Project financing by component" table are US$11.72 million at appraisal and US$11.51 actual/latest estimate. It was not possible to reconcile the difference between the project costs and the project financing (both, at appraisal and actual) with the data provided in the ICR.	3 (MU)
F. Does the report present an assessment of project M&E systems? Yes.	5 (S)

4.8 Is a technical assessment of the project impacts described in the TE recommended? Please place an "X" in the appropriate box and explain below.	**Yes: X**	**No:**
Explain: Yes, it is recommended to do a follow up assessment to determine the level of compliance of the Voivodship Inspectorate of Environmental Protection with monitoring of the environmental results for 3 years after the project completion because this will determine whether they keep the lab equipment. However, most importantly is to use the M&E system to measure pollution levels and corroborate the project estimates.		
Is there a follow up issue mentioned in the TE such as corruption, reallocation of GEF funds, etc.?		