1. Project Data

Summary project data			
GEF project ID		5342	
GEF Agency project ID		120536	
GEF Replenishment Phase		GEF-5	
Lead GEF Agency (include all for joint projects)		UNIDO	
Project name		Biomass energy for productive use for small and medium enterprises (SMEs) in the olive oil sector	
Country/Countries		Albania	
Region		Europe & Central Asia	
Focal area		Climate Change	
Operational Program or Strategic Priorities/Objectives		CC-3; Electricity and heat produced from renewable sources	
Stand alone or under a programmatic framework		Standalone	
If applicable, parent program name and GEF ID			
Executing agencies involved		Ministry of Tourism and Environment (MoTE); Ministry of Infrastructure and Energy (MEI); National Agency for Natural Resources (NANR); Ministry of Agriculture and Rural Development (MoARD)	
NGOs/CBOs involvement		Albanian Association of Olive Oil Producers (AAOOP)- secondary executing agency	
Private sector involvement (including micro, small and medium enterprises)[1]		Credins Bank, Procredit Bank, Intesa Sanpaolo, BKT Bank and Olive Oil Companies- through consultations	
CEO Endorsement (FSP) /Approval (MSP) date		8/20/2014	
Effectiveness date / project start date		8/21/2014	
Expected date of project completion (at start)		10/1/2017	
Actual date of project completion		6/30/2021	
Project Financing			
		At Endorsement (US $M)	**At Completion (US $M)**
Project Preparation Grant	GEF funding	0.05	0.05
	Co-financing		
GEF Project Grant		0.92	0.92
Co-financing	IA own	0.1	0.1
	Government	1.36	1.36
	Other multi- /bi-laterals		
	Private sector	0.22	1.37
	NGOs/CBOs		
	Other	2.8	1.8
Total GEF funding		0.97	0.97
Total Co-financing		4.5	4.6
Total project funding (GEF grant(s) + co-financing)		5.5	5.6
Terminal evaluation validation information			

[1] Defined as all micro, small, and medium-scale profit-oriented entities, including individuals and informal entities, that earn income through the sale of goods and services rather than a salary. (GEF IEO 2022)

TE completion date	10/1/2021
Author of TE	Mr. Andreas Karner and Mr. Abdullah Diku
TER completion date	Click or tap to enter a date.
TER prepared by	Ritu Kanotra
TER peer review by (if GEF IEO review)	Neeraj Negi

Access the form to summarize key project features here: https://www.research.net/r/APR2023.

2. Summary of Project Ratings

Criteria	Final PIR	IA Terminal Evaluation	IA Evaluation Office Review[2]	GEF IEO Review
Project Outcomes	NA	HS	HS	MS
Sustainability of Outcomes		ML	ML	ML
M&E Design		S	S	S
M&E Implementation		S	S	MS
Quality of Implementation		HS	HS	S
Quality of Execution		HS	HS	MS
Quality of the Terminal Evaluation Report			NA	MS

3. Project Objectives and theory of change

3.1 Global Environmental Objectives of the project:

According to the Project Document, the goal of the project was to transform the market for using organic waste from the olive oil and other industries for energy production. The Project aimed to achieve this through triggering investment in organic olive and other industry waste-to energy projects, through market demonstration, development of appropriate financial instruments, capacity building and by strengthening the policy and regulatory environment.

3.2 Development Objectives of the project:

According to the Project Document, the Development Objectives of the project was to increase the use of biomass in industrial energy consumption for productive use through demonstrated use of modern biomass technologies in Small and Medium-sized Enterprises (SMEs) in the olive oil industry in Albania.

3.3 Were there any **changes** in the Global Environmental Objectives, Development Objectives, or project activities during implementation? What are the reasons given for the change(s)?

None.

3.4 Briefly summarize project's theory of change – describe the inputs and causal relationships through which the project will achieve its long-term impacts, key links, and key assumptions.

The project was designed to address most of the existing barriers (Capacity and awareness barriers; Financial Barriers; Technical Barriers and Policy and Regulatory Barriers) to a wide scale adoption of industrial biomass waste- to-energy in Albania. The project used an integrated and catalytic approach to promote widescale adoption of industrial biomass waste-to-energy technologies through support for an enabling market and regulatory environment and through technology demonstration to encourage investment. These interventions were designed to catalyze greater investments for biomass-to-energy generation in Albania.

[2] The terminal evaluation was commissioned by the evaluation unit of UNIDO. Therefore, the performance ratings provided in the terminal evaluation are repeated.

Project Component 1 – Technology demonstrated for use of modern biomass technologies in industrial processes in Albania – This component was designed to demonstrate the technical feasibility and commercial viability of modern biomass technologies in the olive production sector in Albania, which would in turn create best practice examples for the country for further dissemination and to help raise awareness.

Project component 2 - The enabling market and regulatory environment for biomass technology in industry created in Albania – This component was designed to develop the market environment for biomass technology in industry in Albania through: enhancing awareness and strengthening capacities for key actors in the policy and industrial sectors (in the olive oil and other sectors with high replication potential such as wood processing, wine production, jam-fruit production), as well as supporting tailored policy actions and scale-up activities including the preparation of a detailed assessment of the biomass potential for industrial uses and the development of a pipeline of projects for replication.

4. GEF IEO assessment of Outcomes and Sustainability

Please refer to the GEF Terminal Evaluation Review Guidelines for detail on the criteria for ratings.

The outcome ratings (relevance, effectiveness, efficiency, and overall outcome rating) are on a six-point scale: Highly Satisfactory to Highly Unsatisfactory. The sustainability rating is on a four-point scale: Likely to Unlikely.

Please justify the ratings in the space below each box.

4.1 **Relevance and Coherence**	S

The food industry contributes 40-45% to the GDP but has also been one of the largest consumers of energy in Albania. However, cost and availability of energy has been an increasing concern for industry over the years due to rising cost of fossil fuels. Renewable energy in general and biomass based energy in particular offer a viable solution for reducing dependence of the industry on energy imports and improve country's security of energy supply. It was estimated that biomass based energy could satisfy about 60% of Albania's energy demand (PD, pg 5), along with benefits related to abatement of the GHG emissions. The olive oil sector was selected as primary target sector for the project due to its biomass potential, its need and potential for technological innovation in the field of energy conversion, and based on the economic importance of the food processing sector.

The project reflected the Government of Albania's priorities to promote sustainable development and, as a member of European Energy Community, its commitment to apply European legislation on renewable energy (RE), which sets specific targets for the share of Renewable Energy in final energy consumption. There were also a number of on-going and planned initiatives in Albania supporting either renewable energy or the agro-food sector. For instance, Albania's National Renewable Energy Action Plan 2015-2020 outlines the country's target of increasing the final energy consumption by 38% with renewable energy sources by 2020. The National Energy Strategy 2018-2030 also highlights that Albania has substantial biomass potential from agricultural residues, estimated at 2,300 GWh per year. The project, with its focus on an increase use of olive oil and other industrial organic waste streams was clearly aligned with these government objectives.

The project was also in line with the GEF Focal Area Objective 3: Promoting Market approaches for Renewable Energy. The project was designed to transform the market for using organic waste from the olive oil and other industries for energy production through triggering investment in organic olive and other industry waste-to energy projects. Setting up the market environment would allow and promote the use and replication of such technologies, with the potential to significant GHG emission reductions and help Albania in its transformation towards low carbon development.

4.2 **Effectiveness**	S

The TE has rated the effectiveness of the project as 'highly satisfactory', which has been revised by this TER as 'satisfactory'. The project supported installation of 14 demonstration projects in olive oil industry, with a total investment of USD 3.17 million, leading to a lifetime GHG emission reduction of 275,804 tCO2eq. Overall, project secured more co-financing from the private sector than originally foreseen. It also helped generating awareness and strengthening the capacity in the application of modern biomass technologies for key actors in the policy and industrial sectors as well as of market actors which led to development of 40 biomass energy projects, with 37 enterprises that applied for finance. But the number of replication projects that were actually implemented is not clear from the TE. The project also made several recommendations for specific amendments in policies and regulations for expansion of biomass energy use across industrial sectors. However, these amendments were still under consideration and yet not integrated into the legislation at the time of the TE.

Component 1: Technology demonstrated for use of modern biomass technologies in industrial processes in Albania

The project supported development of 18 feasibility studies and 18 business plans (target of 15) for selection of demonstration plants using olive soil residues for the production of energy (Output 1.1). As a result, a total of 14 pilot demonstration projects (target of 15) were installed and commissioned successfully with mobilization of finances of USD 1.37 million from the private sector (target of USD1.2million) (Output 1.2). The installed pilot projects had a total capacity to generate 2.70MW (target of 1-1.5MWth), with the potential to reduce 275,804 tCO2eq (target of 53,000 tCO2eq) over 20 years (Output 1.3). The guidelines were also developed to provide practical and standardized procedure for identifying the viability of potential projects in future.

Component 2: The enabling market and regulatory environment for biomass technology in industry created in Albania.

The project was successful in building awareness and strengthening capacity of various government entities, financial institutions, academia and beneficiaries (255 trained against target of 200) through various workshops (6 workshops against target of 5) and training programs. It also developed 2 guidebooks targeted at industrial units and energy users and financers as per the expectation under this component. As per the expectation under this component, 30-40% of the participants covered under various trainings were women. Industrial Association such as AOA were made aware of the potential of bioenergy technologies and UN Albania website was used as a platform for information dissemination

(Output 2.1). The project also supported detailed market survey to explore and assess the short- and medium-term potential for modern biomass application for industries in several sectors such as olive oil industries, wood processing, wine production and jam fruit processing. The findings from the project were taken into consideration for designing the replication strategy for such technologies (Output 2.2).

The project also supported preparation of 37 audits, business plans and feasibility studies for replication projects (30 projects target) (Output 2.3.1). In addition, the project proposed 12 specific targets to the relevant institutions for the heat produced by biomass energy technologies by 2020. Although the recommendations were given, it's not clear from the TE if the project facilitated amendments to the building code and building law to encourage the installation of industrial biomass energy technologies during the building renovations. As per the TE, changes in the law on energy efficiency in Albania set mandatory energy efficient targets for the public, private sector and lager consumers. Moreover, several proposals for amendments in the current legislation were discussed but not clear if the specific output related to 'tax exemption on imported biomass energy technologies equipment and material' (Output (2.3.2) was proposed or a 'decree on biomass energy technologies quality control system' was also established.

4.3 **Efficiency**	MS

The TE assessed the efficiency of the project as 'highly satisfactory', which based on the evidence in the evaluation report is revised as 'moderately satisfactory'. The project had a late start due to delays in getting approvals from the government and operationalization of cooperation agreement with Agriculture and Rural Development Agency (ARDA), which was one of the executing partners of the project. The project implementation was also impacted by other factors such as delay in mobilization of full co-financing from the government; impact of COVID 19 and the time consumed in identification of pilot sites as well as of suitable enterprises with the capacity to participate in the project. Overall, the project was delayed by over 3 years. According to the TE, several steps and procedures were taken by UNIDO and key partners to speed up the implementation process. But the specifics on how the delays impacted achievement of outputs and outcomes is not clear from the available reports.

4.4 **Outcome**	MS

Summarize key outcomes related to environment, human well-being, and enabling conditions (Policy, Legal & Institutional Development; Individual & Institutional Capacity-Building; Knowledge Exchange & Learning; Multistakeholder Interactions), as applicable. Include any unintended outcomes (not originally targeted by the project), whether positive or negative, affecting either ecological or social aspects.

Where applicable, note how both intended and unintended outcomes have positively and/or negatively affected marginalized populations (e.g., women, indigenous groups, youth, persons with disabilities), and where some stakeholder groups have benefited more/ less than others.

The Project supported the installations of demonstration plants with a total thermal capacity of 2,704 kWth, from which 880 kWth were dedicated to 12 small units and 1,824 kWth referring to one large unit

(boiler + dryer) installed at AFT (factory located in Albania). According to the TE, 14 projects installed and commissioned during the project's 5-year implementation phase would result in direct GHG emission reductions. Total direct emission reduction of all small units was calculated at 59,300 tonnes of CO2 equivalent (tCO2eq) over the lifetime of the investments, instead of projected 53,000 tCO2eq. Total direct emission reductions of large units implemented was calculated as 216,504 tCO2eq. Total direct emission reductions of all units implemented over the lifetime of investments was calculated as 275,804 tCO2eq,

The project also supported 37 potential small replication projects through energy audits, feasibility assessments and application of financing. However, the number of replication projects that actually received funding and reached implementation stage, is not clear from the TE.

4.5 **Sustainability**	ML

Note any progress made to sustain or expand environmental benefits beyond project closure, using stakeholder (rather than project) resources, e.g. through replication, mainstreaming or scaling-up of GEF-supported initiatives. Examples would be farmers adopting practices using own funds, follow-on replication projects, development of plans for scaling, inclusion in local or national legislation, and allocation of government budgets or private sector investments for institutional adoption.

The sustainability strategy of the project was embedded in the technology demonstration for use of modern biomass technologies in industrial applications, their scale up and capacity building as well as creation of an enabling policy and regulatory environment. The project successfully demonstrated the benefits of the technology and built the capacity of relevant stakeholders. Sustainability and replication were to be ensured through the interaction with the financial institutions and identification of viable projects and enterprises for funding. The project was successful in generating awareness and interest amongst the industrial sector as 37 industrial biomass projects applied for financing as compared to the target of 30 projects. However, the number of replication projects that actually reached the implementation stage is not clear from the available reports. TE also notes that some financing instruments need to be further developed for attracting more investors. Creation of an enabling market and an enabling policy framework would further enable sustainable replication on which the project had some success but unless the policy amendments proposed through the project are incorporated into legislations and various financing incentives introduced to attract new investors and enterprises, the likelihood of sustainability of the project outputs and outcomes is assessed as 'moderately likely'.

Financial risk

The project supported 15 business cases that demonstrated the use of biomass energy technologies in Albania at a commercial level. However, as the TE notes, it was still 'at an initial stage of development considering the large potential across the agro-industry sector and the relatively low number of projects that have been supported' (TE, pg42). According to the TE, increase in the uptake of technology would need more financial support with a combined grant and financing scheme and support from the local

banks. Moreover, in order to increase the interest of investors for application and implementation of projects on bio-energy production, although some progress was achieved due to improvement in licensing process, but some specific financial incentives were yet to be further developed, through measures such as direct investment support, capital grants, low interest rates, tax exemptions or reductions, tax exemptions, etc.

Institutional framework and governance

The project was successful in strengthening the capacities of the application of modern biomass technologies for key actors in the policy and industrial sector. The project supported in-depth studies and analysis for recommending tailored regulatory initiatives to support sustainable expansion of bio-energy use across industrial sectors in Albania. However, some of the critical regulations and amendments were still under development or yet to be approved by the government. For instance, amendment on support and promotion of the heating using biomass with high efficiency of local heating system was still under development at the time of the TE. Similarly, the regulation related to 'tax exemption on imported industrial-biomass energy technologies equipment and material' was proposed and still under discussion at the time of the TE.

Socio-political

The TE does not comment on the risks from socio-political factors impacting the sustainability of the project. The project did not get support from Agriculture and Rural Development Agency (ARDA), which was one of the main executing partners and key stakeholder for the promotion of industrial biomass technologies. However, the project received adequate support from rest of the relevant government departments and the target enterprises after initial delays.

Environmental

The TE doesn't recognize any risks due to environmental factors.

5. Processes and factors affecting attainment of project outcomes

Before describing the factors, you may choose to summarize reported outcomes and sustainability here: https://www.research.net/r/APR2023.

1.1 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, 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?

According to the TE, the project had confirmed co-financing of an estimated USD 4.63 million, which was 3% more compared to the contributions sourced at project design stage. The project leveraged USD 1.37 from private sector as compared to the original commitment of USD 0.22 million, with additional cash resources of about USD 1.15 million. Since the project facilitated preparation of energy audits as well as

project feasibility and business development plans, it made the demonstration projects readily bankable and financed by local commercial banks. As a result, project exceeded target as the installed pilot projects had a total capacity to generate 2.70MW as against a target of 1-1.5MWth). Financial contribution from government and UNIDO also materialized fully.

However, the banks originally included in the project such as BKT and Procredit did not contribute full co-financing commitment due to their lack of capacity to offer a good financing product, including preferential interest rates. But other local banks such as First Investment Bank, ORP, Credins and Tirana Bank entered into the project and made a total financial contribution of USD 1.8 million, which was almost USD 1 million less than originally foreseen. The TE does not explain the implication of shortfall of financing from the banks on the project outputs and outcomes. However, it is likely that demand for financing from the banks would increase as the pipeline of projects selected for replication are approved for financial closure in future.

1.2 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 faced several delays due to which the duration was extended by more than 3 years. The project experienced significant delays during its initiation phase due to long time taken for obtaining the administrative approval from the government and delay in operationalization of the cooperation agreement with the Agriculture and Rural Development Agency (ARDA). Once the project implementation took off, the project faced delays due to various other reasons such as delay in mobilizing co-financing funds from Ministry of Tourism and environment and identification of pilot sites for demonstration projects; time taken to mobilize enterprises to participate in the project and impact of COVID 19 on the ability of SMEs to sustain their business and participate in the project. However, according to the TE, the adaptive management and continuous support from UNIDO to address the delays led to achievement of most of the project outputs and outcomes.

1.3 Stakeholder ownership. Assess the extent to which stakeholder ownership has affected project outcomes and sustainability. Describe the ways in which it affected outcomes and sustainability, highlighting the causal links.

The project had good participation from various stakeholders. Except for the cooperation from Agriculture and Rural Development Agency (ARDA), which was one of the executing partners in the project, the project received adequate support from the government stakeholders, as evident through their participation and involvement in the Project Steering Committee (PSC) meetings. However, although the TE does not elaborate, the fact that some of the amendments and decrees proposed through the project, were not yet approved, speaks of the potential for more buy in from the government stakeholders.

Other stakeholders included target enterprises and industry owners who were also beneficiaries of the project. In addition to hosting demonstration projects, involvement of these enterprises in training and awareness generation, is likely to contribute to the sustainability of project outputs. Although the banks

originally involved at the time of the project design failed to meet their commitments, other local banks such as Credins Bank, Procredit Bank Albania, Intesa Sanpaolo Bank and BKT extended their support and introduced attractive financing products enabling purchase of biomass technologies. These banks also participated in the trainings and received guidelines that would help them assess the biotechnology projects in future as well.

5.4 Other factors: In case the terminal evaluation discusses other key factors that affected project outcomes, discuss those factors and outline how they affected outcomes, whether positively or negatively. Include factors that may have led to unintended outcomes.

None.

6. Assessment of project's Monitoring and Evaluation system

Ratings are assessed on a six point scale: Highly Satisfactory to Highly Unsatisfactory.

Please justify ratings in the space below each box.

6.1 **M&E Design at entry**	S

This TER concurs with the rating provided by the TE to the M&E design at entry as 'satisfactory'. The project document included a results framework with a separate component and budget allocation for monitoring and evaluation. Besides the results framework with indicators and targets for monitoring the outputs and outcomes of the entire project, the project document also laid emphasis on performance monitoring of the demonstration projects to keep a track and verify the kW installed, energy generated and GHG emissions avoided directly through the GEF project. The monitoring and evaluation workplan defined the type of M&E activity, responsible parties and time frame for different types of monitoring activities. The results framework included SMART indicators and clearly defined baseline and targets as well as source of verification.

6.2 **M&E Implementation**	MS

The TE rates the M&E implementation as 'satisfactory' but based on the evidence in the available documents, this TER assessed it to be 'moderately satisfactory'. According to the TE, the project broadly followed the M&E plan defined in the project document that helped the project team to take day to day decisions and undertake timely corrective actions. Project Implementation reports were prepared on timely basis but the TE does not mention the midterm review which was part of the M&E workplan included in the project document. The TE also notes that project did not monitor the energy savings and GHG emission reductions and these calculations were made towards the end during the course of final evaluation. However, the methodology followed for the calculation of GHG is not clear from the TE. But other project activities and results were regularly monitored and reviewed during the PSC meetings that also formed the basis for adaptive management of the project.

7. Assessment of project implementation and execution

Quality of Implementation rating is based on the assessment of the performance of GEF Agency(s). Quality of Execution rating is based on performance of the executing agency(s). 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**	S

The TE rated the overall management of the project as 'highly satisfactory'. Based on the evidence in the available documents, this TER rated the quality of project implementation as 'satisfactory'. According to the TE, UNIDO played an important role throughout the project. UNIDO project manager at Vienna provided the supervisory role but project was directly executed by the project management unit located at Tirana in Albania. UNIDO provided technical assistance and engaged international and national experts, who helped prepare the feasibility studies and business plans for the enterprises involved in the project. UNIDO was also involved in regular monitoring and review of the project which helped in adaptive management and taking corrective decisions in a timely manner.

7.2 **Quality of Project Execution**	MS

The TE has assessed the quality of project execution as 'highly satisfactory', which this TER has reviewed to 'moderately satisfactory'. The project was delayed due to inadequate cooperation from Agriculture and Rural Development Agency (ARDA), one of the main executing partners from the government. According to the Project Document, the funds for the grant instrument in the project were expected to flow through ARDA and its roles and responsibilities were to be agreed upon through a contractual agreement with UNIDO. The TE does not delve into details but the agreement with ARDA could not be signed despite repeated efforts from UNIDO, which delayed the start of the project. It is unclear from the TE as to which executive partner filled in the role of ARDA in its absence. With the exception of ARDA, the project got a good response and support from the rest of the executing partners. Project was executed by the Project Management Unit (PMU) consisting of National Project Director, Project Manager and associated national and international experts. The project had an oversight from the Project Steering Committee (PSC), chaired by the Minister of Tourism and Environment, which according to the TE, provided important inputs to the PMU and facilitated adaptive management of the project.

8. Lessons and recommendations

8.1 Briefly describe the key lessons, good practices, or approaches mentioned in the terminal evaluation report, including how they could have application for other GEF projects. Lessons must be based on project experience.

Most of the lessons listed in the TE were pertinent only to the project context in Albania and cannot be generalized. Key lessons listed in the TE include:

1. A key to the success of projects with imported equipment is that the equipment must be fully proven and reliable, i.e., certified according to international technical standards. Training programs must continue to make sure that the new equipment is properly operated.
2. The legislation must be further adapted to include equipment quality and efficiency requirements. Therefore, it is recommended to establish and implement a QI system, with an incentive program, a monitoring system and the necessary infrastructure, including testing, certification, accreditation and mechanisms for market surveillance.
3. Practitioner training should include the training of key stakeholders on (a) best international standards (b) the new regulatory framework, and (c) standards and certifications for technical staff of public entities in charge of formulating the policy and regulatory framework
4. Sustainable management of biomass resources are not yet fully mainstreamed into government policies. It is recommended to draft new policies to address environmental and sustainability issues within the agro-food sector.
5. The olive oil and fruit processing sectors are the most important producers of solid wastes which can be used as fuel. There is low public awareness on the use and production of pellets which should be targeted through workshops and awareness campaigns.
6. Development and implementation of projects in the field of renewable energy requires an adequate education system on renewable energy. New curricula developed on renewables with the support of the project, is a necessary precondition for educating and training specialists in the field of renewable energy technologies.

8.2 Briefly describe the recommendations given in the terminal evaluation.

Key recommendations (mostly relevant to the context of this project in Albania) listed in the TE include:

1. Albania's energy sector would benefit from a comprehensive plan that aggregates energy sector data such as renewable energy, energy resource potentials and historical statistical trends, together with qualitative and quantitative information, into a clearly formulated and evidence-based development document that will allow for sound decision-making and sector development.
2. The country could benefit from a dedicated renewable energy agency for a coordinated development of renewables in line with national and international targets and obligations.
3. Awareness raising and the provision of information on the available renewable energy options, incentives and support programs can advance the perspectives of energy consumers and consequently renewable energy uptake.
4. The projects on renewable energy to regularly monitor the energy savings and GHG reductions.
5. The accompanying quality control during the planning, construction and operation of biomass installations could be introduced similarly to other, with a pre-condition for financing support. Supporting renewable energy markets through subsidies for renewable energy technologies to spur emerging markets may mitigate technical risks and become more effective by incorporating Quality Assurance (QA) requirements.
6. Uniform and clearly defined quality criteria as well as standardized specifications for the planning and construction of biomass heating plants will lead to a significant improvement in quality and thus to increased efficiency of new plants.
7. The government incentives to support the technology and industrial processing of the bio-energy are crucial for the development of economy and environmental protection; so is the creation of the Energy Efficiency Fund that would support energy efficiency investments. In this respect, a financial support such as 10% tax reduction for all enterprises producing and selling biomass pellets or briquettes in Albanian market is recommended for promoting the penetration of biofuels.
8. UNIDO should continue to seek high levels of co-financing as a means to achieve greater environmental impact and to encourage country ownership, since co-financing plays a critical role in creating strong partnerships on the ground. National governments and the private sector have a strong role in providing significant co-financing.

9. Quality of the Terminal Evaluation Report

Before rating the quality of the terminal evaluation, click here to summarize your observations on the sub-criteria: https://www.research.net/r/APR2023.

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/indicators of terminal evaluation quality	GEF IEO COMMENTS	Rating
1. Timeliness: terminal evaluation report was carried out and submitted on time?	The terminal evaluation was carried out within six months of the project completion	S
2. General information: Provides general information on the project and evaluation as per the requirement?	It provides general information on the project but did not discuss the role o	S
3. Stakeholder involvement: the report was prepared in consultation with – and with feedback from - key stakeholders?	Yes	S
4. Theory of change: provides solid account of the project's theory of change?	TE did not provide theory of change but covered details such as key inputs, outputs and linkages with the overall goal and objective of the project	MS
5. Methodology: Provides an informative and transparent account of the methodology?	TE provides a clear and transparent account of the methodology used for the evaluation.	S
6. Outcome: Provides a clear and candid account of the achievement of project outcomes?	All the aspect are adequately covered except clear evidence related to progress made by project on strengthening the regulatory framework	MS
7. Sustainability: Presents realistic assessment of sustainability?	All aspects covered adequately except socio political risks. Not enough information on the ownership from the government and political will to support and sustain project outcomes. Moreover, although it identifies various risks but doesn't indicate the likelihood of the risks materializing and its impact on sustainability.	MS

8. M&E: Presents sound assessment of the quality of the M&E system?	The TE notes that results framework included too many indicators which were not SMART. But does not provide any examples to back it up.	MS
9. Finance: Reports on utilization of GEF funding and materialization of co-financing?	It reports on the utilization of GEF funding and materialization of co-financing. However, it does not discuss the implication of shortfall of financing from the Banks on the achievement of project outputs and outcomes	MS
10. Implementation: Presents a candid account of project implementation and Agency performance?	This section is written very concisely without adequate details, especially of the performance of the executing agencies.	MU
11. Safeguards: Provides information on application of environmental and social safeguards, and conduct and use of gender analysis?	It covers gender analysis but no information on the application of social and environmental safeguards.	MS
12. Lessons and recommendations are supported by the project experience and are relevant to future programming?	Lessons are recommendation are supported by the project experience but some of the points are not discussed in adequate detail in the main body of the report	MS
13. Ratings: Ratings are well-substantiated by evidence, realistic and convincing?	For some sections, ratings are provided quite liberally and often not supported by enough evidence. For instance, re the project had a delayed start due to delay in getting approvals and lack of support from ARDA, one of the executing agency partners, which had an important role in the project for management and disbursement of funds. But the TE does not discuss the implication of lack of support from ARDA and the impact it had on the project.	MS
14. Report presentation: The report was well-written, logically organized, and consistent?	Report was more or less well written and logically organized but for some of the sections the ratings were not supported by adequate evidence. This TER reviewed ratings in these sections.	MS
Overall quality of the report		MS

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

ANNEX 1. GEF IEO THEORY OF CHANGE FRAMEWORK

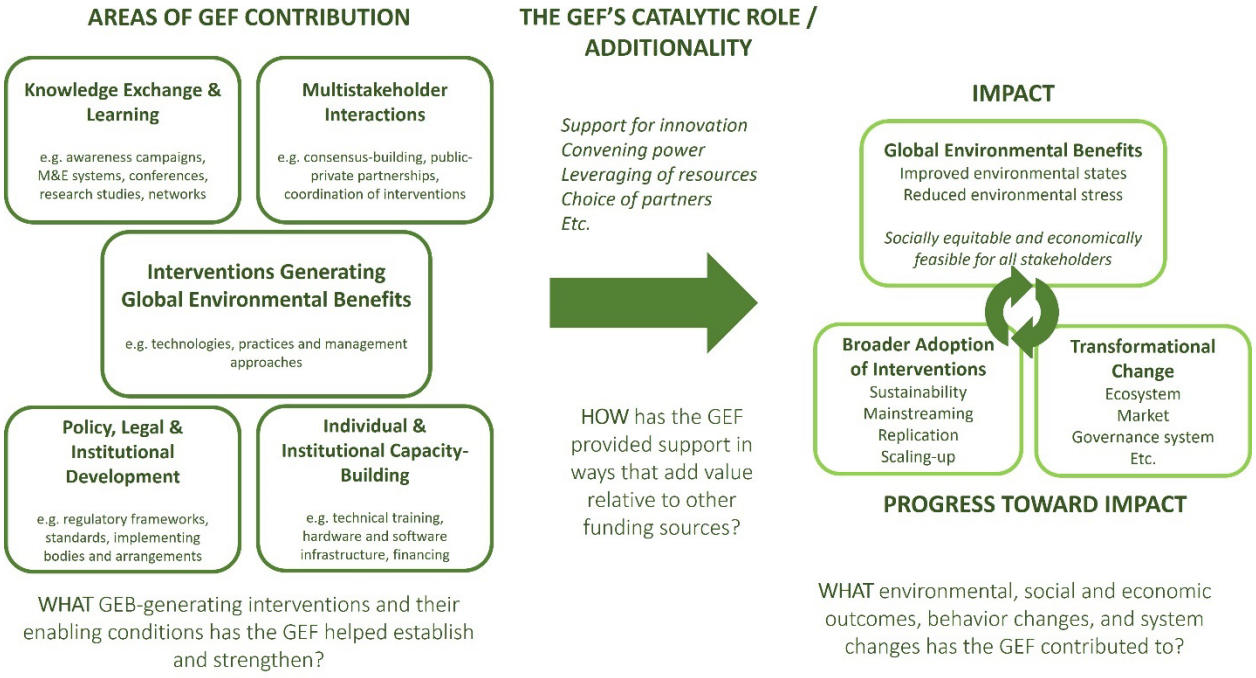

Figure 1. The GEF IEO's updated Theory of Change Framework on how the GEF achieves impact

The general framework for the GEF's theory of change (figure 1) draws on the large amount of evaluative evidence on outcomes and impact gathered over the years by the GEF Independent Evaluation Office. The framework diagram has been updated to reflect the IEO's learning since OPS5 (GEF IEO 2014, p. 47-50) about how the GEF achieves impact, as well as the evolution of the GEF's programming toward more integrated systems-focused and scaled-up initiatives.

The framework outlines the three main areas that the IEO assesses in its evaluations: a) the GEF's contributions in establishing and strengthening both the interventions that directly generate global environmental benefits, and the enabling conditions that allow these interventions to be implemented and adopted by stakeholders, b) the GEF's catalytic role or additionality in the way that the GEF provides support within the context of other funding sources and partners, and c) the environmental, social and economic outcomes that the GEF has contributed to, and the behavior and system changes that generate these outcomes during and beyond the period of GEF support.

The circular arrow between impact and progress toward impact, as before, indicates how bringing about positive environmental change is an iterative process that involves behavior change (in the form of a broader group of stakeholders adopting interventions) and/or systems change (which is a key characteristic of transformational change). These three areas of change can take place in any sequence or simultaneously in a positively reinforcing cycle, and are therefore assessed by the GEF IEO as indicators of impact.

Assessing the GEF's progress toward achieving impact allows the IEO to determine the extent to which GEF support contributes to a trajectory of large-scale, systemic change, especially in areas where changes in the environment can only be measured over longer time horizons. The updated diagram in particular expands the assessment of progress towards impact to include transformational change, which specifically takes place at the system level, and not necessarily over a long time period.

The updated diagram also more explicitly identifies the link between the GEF's mandate of generating global environmental benefits, and the GEF's safeguards to ensure that positive environmental outcomes also enhance or at the very least do not take away from the social and economic well-being of the people who depend on the environment. Thus the IEO assesses impact not only in terms of environmental outcomes, but also in terms of the synergies and trade-offs with the social and economic contexts in which these outcomes are achieved.

ANNEX 2. DEFINITION OF TERMS

Intervention	Any programmatic approach, full-sized project, medium-sized project, or enabling activity financed from any GEF-managed trust fund, as well as regional and national outreach activities. In the context of post-completion evaluation, an intervention may consist of a single project, or multiple projects (i.e. phased or parallel) with explicitly linked objectives contributing to the same specific impacts within the same specific geographical area and sector. https://www.gefieo.org/evaluations/gef-evaluation-policy-2019
Activity (of an intervention)	An action undertaken over the duration of an intervention that contributes to the achievement of the intervention's objectives, i.e. an intervention is implemented through a set of activities. E.g. training, (support to) policy development, (implementation of) management approach.
Outcome	An intended or achieved short- or medium-term effect of a project or program's outputs. https://www.gefieo.org/evaluations/gef-evaluation-policy-2019
Impact	The positive and negative, primary and secondary long-term effects produced by a project or program, directly or indirectly, intended or unintended. https://www.gefieo.org/evaluations/gef-evaluation-policy-2019
Environmental outcomes	Changes in environmental indicators that could take the following forms: • Stress reduction: reduction or prevention of threats to the environment, especially those caused by human behavior (local communities, societies, economies) • Environmental state: biological, physical changes in the state of the environment http://www.gefieo.org/sites/default/files/ieo/evaluations/ops5-final-report-eng.pdf
Social and economic outcomes	Changes in indicators affecting human well-being at the individual or higher scales, e.g. income or access to capital, food security, health, safety, education, cooperation/ conflict resolution, and equity in distribution/ access to benefits, especially among marginalized groups.
Synergies	Multiple benefits achieved in more than one focal area as a result of a *single intervention*, or benefits achieved from the interaction of outcomes from at least two separate interventions in addition to those achieved, had the interventions been done independently.

	http://www.gefieo.org/evaluations/evaluation-multiple-benefits-gef-support-through-its-multifocal-area-portfolio-map-2016
Trade-offs	A reduction in one benefit in the process of maximizing or increasing another benefit. http://www.gefieo.org/evaluations/evaluation-multiple-benefits-gef-support-through-its-multifocal-area-portfolio-map-2016
Broader adoption	The adoption of GEF-supported interventions by governments and other stakeholders beyond the original scope and funding of a GEF-supported intervention. This may take place through sustaining, replication, mainstreaming, and scaling-up of an intervention and/or its enabling conditions (see definitions below). http://www.gefieo.org/sites/default/files/ieo/evaluations/ops5-final-report-eng.pdf
Sustainability	The continuation/ likely continuation of positive effects from the intervention after it has come to an end, and its potential for scale-up and/or replication; interventions need to be environmentally as well as institutionally, financially, politically, culturally and socially sustainable.https://www.gefieo.org/evaluations/gef-evaluation-policy-2019
Replication	When a GEF intervention is reproduced at a comparable administrative or ecological scale, often in different geographical areas or regions. http://www.gefieo.org/sites/default/files/ieo/evaluations/ops5-final-report-eng.pdf
Mainstreaming	When information, lessons, or specific aspects of a GEF initiative are incorporated into a broader stakeholder initiative. This may occur not only through governments but also in development organizations and other sectors. http://www.gefieo.org/sites/default/files/ieo/evaluations/ops5-final-report-eng.pdf
Scaling-up	Increasing the magnitude of global environment benefits (GEBs), and/or expanding the geographical and sectoral areas where they are generated to cover a defined ecological, economic, or governance unit. May occur through replication, mainstreaming, and linking. http://www.gefieo.org/evaluations/evaluation-gef-support-scaling-impact-2019
Transformational change	Deep, systemic, and sustainable change with large-scale impact in an area of major environmental concern. Defined by four criteria: relevance, depth of change, scale of change, and sustainability. http://www.gefieo.org/evaluations/evaluation-gef-support-transformational-change-2017
Additionality	a) Changes in the attainment of direct project outcomes at project completion that can be attributed to GEF's interventions; these can be reflected in an acceleration of the adoption of reforms, the enhancement of outcomes, or the reduction of risks and greater viability of project interventions. b) Spill-over effects beyond project outcomes that may result from systemic reforms, capacity development, and socio-economic changes. c) Clearly articulated pathways to achieve broadening of the impact beyond project completion that can be associated with GEF interventions. https://www.gefieo.org/sites/default/files/ieo/council-documents/files/c-55-me-inf-01.pdf