GEF EO Terminal Evaluation Review Form for OPS4

1. PROJECT DATA				
			Review date:	
GEF Project ID:	571		at endorsement (Million US$)	at completion (Million US$)
IA/EA Project ID:	349	**GEF financing:**	0.45	0.45
Project Name:	Low-Cost/Low-Energy Buildings in the Czech Republic	IA/EA own:		
Country:	Czech Republic	Government:		1.12
		Other*:		0.73
		Total Cofinancing	0.98	1.85
Operational Program:	OP5: Low-Cost/Low-Energy Buildings in the Czech Republic	**Total Project Cost:**	1.43	2.30
IA:	UNDP	Dates		
Partners involved:	EA: SEVEN/Energy Efficency Center	Effectiveness/ Prodoc Signature (i.e. date project began)		1/25/1999
		Closing Date	Proposed: 6/2003	Actual: 11/2005
Prepared by: Meg Spearman	Reviewed by: Neeraj Negi	Duration between effectiveness date and original closing (in months): 53	Duration between effectiveness date and actual closing (in months): 76	Difference between original and actual closing (in months): 23
Author of TE: *unknown*		TE completion date: June 2007	TE submission date to GEF EO: August 2008	Difference between TE completion and submission date (in months): 14 months

* Other is referred to contributions mobilized for the project from other multilateral agencies, bilateral development cooperation agencies, NGOs, the private sector and beneficiaries.
°Based on the final PIR (TE did not provide final total budget information)

2. SUMMARY OF PROJECT RATINGS AND KEY FINDINGS

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

Performance Dimension	Last PIR	IA Terminal Evaluation	IA Evaluation Office evaluations or reviews	GEF EO
2.1a Project outcomes	HS	MS	---	MS
2.1b Sustainability of Outcomes	---	---	---	ML
2.1c Monitoring and evaluation	---	MS	---	UA
2.1d Quality of implementation and Execution	S[1]	S	---	MU
2.1e Quality of the evaluation report	---	---	**-S-**	MS

2.2 Should the terminal evaluation report for this project be considered a good practice? Why?
The UNDP provided a satisfactory rating for the TE. The report provides a thorough assessment of the project results and performance based on very explicit criteria. However, the TE cannot be considered a good practice due to circumstances beyond the control of the evaluators: a lack of information and cooperation by the IA; and the timing of evaluation long after project completion constrained the quality of evaluation.

[1] "implementation" only

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

One issue that draws some attention pertains to UNDP's oversight and budget management. The TE notes that "there is no proper overview of how the project spent its budget, even if there is little reason to doubt that all was spent in accordance with UNDP rules." Changes in activities and project implementation occurred "without proper steering committee or tri-partite review decisions, almost unmotivated extensions of project duration, the lack of several outputs at the end of the project without explanation and the lack of securing that project documentation remained intact after operationally closing the project." However, the executive director of SEVEn, the executing agency, offered this response: "We have to strictly refuse all of his statements concerning project expenditures and budgeting. We insist on keeping all the UNDP rules during the project implementation valid in the years 1999 – 2006. All the changes of internal structure of the budget or changes in activities were communicated and approved in advance."This is an issue that requires a follow up.

3. PROJECT OBJECTIVES

3.1 Project Objectives

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

According to the project document:

1. "Reduction of CO_2 emissions related to energy needs in buildings [of the Czech Republic] (based on estimated 40-50% lower energy consumption)."

b. What were the Development Objectives of the project? Were there any changes during implementation?

According to the project document, the project intended to achieve the following "objective" (1) and "outcomes," (2-10) verbatim:

1. A country wide adoption of standards for low-energy buildings in construction of new buildings and renovating the existing ones.
2. Detailed technical design and the construction of the first low-cost low-energy building.
3. Analysis of the performance of the building.
2. Increased awareness of decision-makers, architects and construction companies regarding the possibilities to increase energy efficiency in buildings with little or no additional costs.
4. Revision of the existing standards and or creation of new ones to increase the energy efficiency in buildings
5. A government plan to promote the adoption of new standards
6. A financial mechanism designed, tested and included in a financial plan for future investments
7. The future potential for developing low-cost low-energy buildings has been assessed and potential investments identified
8. Local capacity for project development of similar type of projects has been increased and/or strengthened
9. Training of the relevant stakeholders to apply the new standards
10. Final report (published in Czech and English)

(describe and insert tick in appropriate box below, if yes at what level was the change approved (GEFSEC, IA or EA)?)

Overall Environmental Objectives	Project Development Objectives	Project Components	Any other (specify)
		X –The component of "renovating existing buildings" (b.3.) was not executed. The project focused on new construction only; perhaps, as the project doc mentions, because this was projected to be more cost-effective than retrofitting old buildings. These changes presumably approved by the IA but the TE was unable to verify approval..	

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

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

4. GEF EVALUATION OFFICE ASSESSMENT OF OUTCOMES AND SUSTAINABILITY

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

a. Relevance (of outcomes to focal areas/operational program strategies and country priorities) Rating: S

A.1. What is the relevance of the project outcomes/results to:

(i) the national sustainable development agenda and development needs and challenges?

The Czech Republic faced a shortage of new housing construction after the fall of the centrally planned economy in the early 1990s. In 1996 the new government listed housing as a top priority, and to slowly raise the cost of energy to market levels by 2002-2005. As the project document describes, this project is meant to take advantage of this critical turning point to reduce energy consumption and environmental pollution by implementing more advanced low-energy techniques in new building construction, for little or no additional cost, and quickly penetrate the existing market through municipal involvement. Also, the PIR mentions that because the problems in developing LCLE housing four years following the drafting of the project were still in existence, it was apparent that this project was the only probable solution to jump-start this sub-sector of the building and construction industry.

(ii) the national environmental framework, agenda and priorities?

The CR is a member of the UNFCCC and signatory to the Kyoto Protocol for a CO2 reduction commitment of -8% by 2012. Also, the CR was required to revise their building code before 2009 in order to comply with EU legislation (EPBD) which targets whole building energy demands. As stated above, there was an urgent need for the CR to meet significant housing demands and to achieve a nation-wide standard in improving the efficiency in those buildings.

(iii) the achievement of the GEF strategies and mandate?

This project is highly significant to GEF's CC mission, Operational Program 5, "Removal of Barriers to Energy Efficiency and Energy Conservation" and OP 7, "Reducing the Long-Term Costs of Low Greenhouse Gas Emitting." It is also highly relevant to GEF-4 strategic priority 1. "Promoting energy efficiency in residential and commercial Buildings." As the project document states, the project was designed to remove or reduce the following barriers:

1. Lack of experience with the technical, economic, social and environmental, aspects associated with low-cost energy efficient buildings;
2. Lack of information to formulate new standards and proposals to promote the construction of low-cost energy efficient buildings based on economic, social and environmental benefits associated with them;
3. Lack of awareness of the decision makers, architects, builders and general public of the possibilities and benefits of increasing the energy efficiency in buildings with little or no extra costs;
4. Lack of expertise to incorporate measures and technologies to increase the energy efficiency in buildings in the planning and construction phases in a cost-effective manner;
5. Remaining residential energy-price subsidies; and
6. Lack of incentives and financial plans to support the higher up-front costs of common energy efficient buildings.

(iv) the implementation of the global conventions the GEF supports (countries obligations and responsibilities towards the convention as well as the achievement of the conventions objectives)

As stated above, the project was highly relevant to national objectives under Kyoto and toward commitments to the UNFCCC in that it aimed to reduce GHG emissions through the reduction of fossil fuel consumption from heating/cooling of buildings and through increased efficiency of the built structure.

A2. Did the project promote of International (Regional and / or Global) Cooperation and Partnership[2]

None indicated.

b. Effectiveness **Rating: MS**

The TE gives the overall project results an MS and states the following about the projects main objectives:

1. Projected emission reductions based on realized project results (target: annual emission saving of 650,000 tons CO2 p.a. in 2010 – Project Document, Expected end-of-project situation): Indirect impacts of the project are only a fraction of the expected performance, mainly due to a considerable overestimation of potential

[2] Please consider for regional and global project only

savings in the project design: if buildings are already insulated to the level present in the Czech Republic prior to the project, it is not possible to reduce energy demand by the claimed 40-50% with improving thermal heat resistance only. As a result, cumulative savings are substantially lower than planned and also considerable less than achieved with building projects in other countries.

2. First low cost / low energy building realized based on sound technical design (baseline no design experience present in country): Although buildings were built, the TE claims the majority of the designs were "flawed," that performance was of "low quality," and that upon proper assessment of one pilot project, CO2 emissions actually increased compared to standard construction.
3. Building energy performance analyzed against proper baseline (baseline: no performance data available): Measurements were done, but calculations were of rather poor quality, even though these measurements were made a priority in the last years of the project.
4. Decision makers, architects and construction companies aware of low or no-cost energy efficiency options (baseline: no awareness): Awareness has improved, but it is difficult to say to what extent this is the result of the project and if the level of awareness is sufficient. No level was specified, however, and the results are deemed to be sufficient for a small project.
5. National building energy performance standard revised as a result of project activities (baseline: no revision planned): The project influenced the standard revision, but it was not the only factor.
6. Government promotion plan developed and adopted (baseline: no plan): No plan developed. There is no indication of activity on this output.
7. Financial mechanism designed, tested and included in a government or municipality financial plan for future investments (baseline: no mechanism): No, but it is not clear what should have been done.
8. Overview of energy potential and investment needs for low energy buildings in the Czech Republic (baseline: no information available): Not available, and it seems that no activity was undertaken for this result.
9. Project pipeline of 5 to 10 low cost / low energy buildings developed (baseline: no development planned): No pipeline was developed. More demonstration buildings were developed, but that does not constitute a pipeline. There are, however, indications of an emerging local capacity for developing low-energy buildings.
10. Stakeholders trained in application of new national building energy performance standards (baseline: insufficient capacities with stakeholders): There are no indications that this happened, but it is also not clear that stakeholder capacities to implement a national standard are insufficient.

However, the final PIR and EA paint a very difference picture:

The final PIR gives the project a score of HS in progress toward meeting objectives, and states: "The project was expected to have one low cost low energy demonstration house and prepare a pipeline of 5-10 new projects for investment. In fact the project successful managed to see 11 new low cost, low energy buildings constructed. In addition the national standard for energy consumption in buildings has been revised, and this will have an impact on all new buildings nation-wide."

The executive director of the EA, SEVEn, states, in response to the TE, that the project 1. developed a 3D simulation model based on international standards for evaluating energy performance of buildings, 2. successfully disseminated practical experience and brought about the adoption of LCLE residential buildings among professional groups, 3. spurring a pipelines of ten private investors to follow the LCLE design, and 4. ensuring that LCLE buildings are comparable in cost to standard building for local builders.

Therefore, based on all available evidence, the project appears to have some misdirected goals in design and subsequent effectiveness in execution (creation of a financial mechanism to support activities, create a government plan to promote the new LCLE standards).The project was adaptive and marginally effective in attaining some the objectives; and the spreading the new building standard can at least in part be attributed to the role of this project and its direct and indirect effects. Nevertheless, the project failed to deliver basic deliverables as designed and attribution is hindered due to a lack of evaluative evidence.

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

Given that two different itemized budgets and no overall budget of activities was presented to the evaluators who completed the TE, let alone comparisons with other similar projects/programs/initiatives, it is somewhat difficult to rate the efficiency of this project. The TE states that the first two projects attained the greatest savings via energy efficiency, but that indirect impacts were a small fraction of expectations. Also, cumulative savings were lower in comparison to similar projects in other countries Yet, "The activity level and the scope of the impacts achieved by the project are quite reasonable compared to its budget and the national context." Based on the incremental cost calculation in the project document ($448,000), the expected total CO2 emissions reduction of 25% by 2010 (total = 32.5 million or 650,000 per year for 50 years), the cost per ton of CO2 is $.0138. Actual achievements were significantly below expectation, with a two year delay in implementation, and total cost was greater than the original budget. While CO2 abatement costs are low, evidence in the TE suggest that the figures for GHG emissions may not be as robust as claimed. Overall, the project is moderately satisfactory in efficiency.

d. To what extent did the project result in trade offs between environment and development priorities / issues (not to be rated) – this could happen both during the designing of the project where some choices are made that lead to preference for one priority over the other, and during implementation of the project when resources are transferred from addressing environmental priorities to development priorities and vice versa. If possible explain the reasons for such tradeoffs.
None of the available documents explicitly state any trade-offs between environment and development priorities. The project fit into the development and environmental priorities of CR as it aimed to answer the demand for new (cheap and energy efficient) housing after the planned economy collapsed and energy subsidies were ending. The project also aimed to reduce the use of fossil fuels for heating, reduce GHGs and air pollution, and build professional technical capacity at individual and institutional levels.

4.1.2 Results / Impacts[3] (Describe Impacts) (please fill in annex 1 – results scoresheet and annex 2 – focal area impacts (against GEF Strategic Priority indicators, where appropriate and possible)

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

a. Financial resources **Rating:** ML
The price of energy in the CR rose (and may still be rising) during the course of project implementation; but if proven to provide energy consumption savings, this only supports further construction of LCLE buildings. However, the objective of creating a "financial mechanism" to be designed and tested, according to the project document, was absent from the project implementation. It is not clear what function it would have served other than to attract private local builders and funders, which proved difficult in the project's initial stages. Nevertheless, the pilot projects successfully secured investors and a pipeline of 7 new LCLE buildings by the close of the project. Given the national adoption of new building standards, continued cost-effectiveness of the LCLE buildings and eventual attainment of economies of scale, there is little reason to believe the architects and construction companies would revert back to old standards. However, the TE introduces other factors such as poor quality building construction and the possibility that natural gas boiler installation in standard new construction (not LCLE buildings) may be cheaper than the electric heating used in 3 of the 5 demonstration buildings, that could negatively affect the relative costs and attractiveness of the new construction and maintenance:
b. Socio-economic / political **Rating:** L
The government and municipalities have offered support for this initiative both politically and in terms of economic and development planning. The CR has government funded schemes for commercial mortgages and bank loans for residential building development, and the Energy Agency co-funds construction of low-energy buildings.
c. Institutional framework and governance **Rating:** L
The project document lists the main risk to sustainability as the "adoption of new standards and development and implementation of a government plan to support the adoption of it." Based on capacity building efforts in training relevant professionals and awareness-raising with political decision-makers, there appears to be a negligible risk of the loss of institutional and government support.
d. Environmental **Rating:** L
There is no indication that there are environmental risks in applying the new building standards.
e. Technological **Rating:** ML
Training and capacity building efforts toward targeted professionals was deemed excellent in the TE, however, there were substantial debates about the projected energy savings with regards to the building envelope, specifically the walls. The UNDP provided the information that the new LCLE buildings would consume 26% of standard housing. However, the TE finds that this number is grossly disproportional to the actual energy savings with the new construction and suggests that the IA should take into account other factors, namely 1. possible additional risk of damage to walls or condensation at interior walls due to special design choices and 2. The CO2 content of the delivered energy (not only the reduction of consumption). Given the juxtaposition of the effective professional capacity building and technological demonstration, and the questionable performance of some of these new buildings, it is not yet clear how much of a technological barrier still remains for LCLE buildings but a low risk appears likely, depending on a number of design specifications in particular buildings.

[3] Please consider direct and indirect global environmental results; any unexpected results; local development benefits (including results relevant to communities, gender issues, indigenous peoples, NGOs and CBOs)

4.3 Catalytic role[4]

a. INCENTIVES: To what extent have the project activities provide incentives (socio-economic / market based) to contribute to catalyzing changes in stakeholders
The final PIR points to initial difficulties in obtaining funding for initial LCLE housing construction but once investors were convinced of the longer term savings, the project could proceed and found investors for several additional LCLE buildings beyond the scale of the project objectives.
b. INSTITUTIONAL CHANGE: To what extent have the project activities contributed to changing institutional behaviors
Based on the level of interest and initial market penetration of the new LCLE buildings, the combination of efforts from the project, and the external government drive to adopt a national standard of LCLE buildings, appears to have significantly affected the behaviors of political decision-makers, private sector stakeholders and private investors.
c. POLICY CHANGE: To what extent have project activities contributed to policy changes (and implementation of policy)?
As stated in the relevance section, the policy changes that occurred at the national level were apparently part of government objectives external to the project. The TE comments, "Unfortunately, the project has never endeavored to estimate to impact of new, better energy codes on energy demand and CO_2 emission reduction, in itself a big omission." Regardless, this cannot negate the project as a factor in successfully demonstrating the new LCLE standards and building capacity for attaining the new standards.
d. CATALYTIC FINANCING: To what extent did the project contributed to sustained follow-on financing from Government and / or other donors? (this is different than co-financing)
The project was designed to create a pipeline of 5-10 LCLE buildings and by the date of the last PIR it had managed to secure investors to finance 7 such buildings, spurning interest and initial market penetration. However, as indicated in the financial and technical risk section of this TER, the behavior of potential future investors may depend on the accuracy and positive-outlook given by performance measurements of the new LCLE buildings.
e. PROJECT CHAMPIONS: To what extent have changes (listed above) been catalyzed by particular individuals or institutions (without which the project would not have achieved results)?
None noted in the project documents or TE.

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

a. Co-financing. To what extent was the reported cofinancing (or proposed cofinancing) essential to achievement of GEF objectives? If there was a difference in the level of expected co-financing and actual co-financing, then what were the reasons for it? Did the extent of materialization of co-financing affect project's outcomes and/or sustainability? If it did, then in what ways and through what causal linkages?
Securing adequate co-financing was significant to the attainment of project outcomes and likelihood sustainability precisely because financing was difficult to leverage for building standards and savings that had not yet been demonstrated with proven pay-back in the context of CR Two of the three pilots were financed by municipalities ($1.12 m in total). Other cofinancing ($0.73m) came from private sector. The final total budget was not provided in the TE, though the evaluators state that it was requested from UNDP. Therefore, there was no thorough assessment of financial resources and how they affected project results and risks to sustainability.
b. Delays. If there were delays in project implementation and completion, then what were the reasons for it? Did the delay affect the project's outcomes and/or sustainability? If it did, then in what ways and through what causal linkages?
There was a two year delay in the implementation of this project and from the initial design until project closing was nearly 6 years. The TE comments that this cannot be justified "for a relatively small demonstration and communication project operating in a favorable project environment." The MTE had mentioned the 1-year delay but did not, as the TE suggests it should have, mention that the project would not likely ever finish in time. It is not clear from the TE whether these delays, in fact, affected the outcomes or sustainability of the project. However, based on evidence about the annual reduction of the subsidies for fossil fuels over the course of the development through execution of this project, delays in implementation may have affected the projected vs actual cost savings for each new LCLE building (meaning that the LCLE buildings appear to have less cost savings based on the higher fuel costs in later years).
c. Country Ownership. Assess the extent to which country ownership has affected project outcomes and sustainability? Describe the ways in which it affected outcomes and sustainability highlighting the causal links.
The TE states, "The project seems to have targeted an urgent national need, as it was well-received by national stakeholders and the government and there is a general appreciation of what the project has done. The design does not indicate other government policies working towards the same goal or national strategies targeting building energy performance, although both seem to have been in place during the project." Stakeholder participation was labeled "excellent" and that the project managed to involve people that deal with building energy performance issues as part of

[4] Please review the 'Catalytic Role of GEF: How is it measured and evaluated – A conceptual framework' prior to addressing this section.

their normal responsibilities in institutions and businesses. This degree of country ownership will positively affect the outcomes and sustainability of the project, which will be largely market driven both in terms of the build environment and future energy costs.

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

a. M&E design at Entry **Rating (six point scale): S**

The project document budget allocates $11,620 for M&E activities, which is consistent with what the IA provided the final evaluators. M&E intended to cover two activities, the adoption of national LCLE buildings and the performance of the pilot buildings. The plan indicated that monitoring of the pilot buildings was to begin 24 months after construction, and monitoring and recording of results from these buildings, along with monitoring and reporting of the adoption of a new LCLE national standard to continue/begin (respectively) 36 months after the start of the project. The project document also prescribes yearly external reviews of progress and intermediary results, by an independent consultant.

b. M&E plan Implementation **Rating (six point scale): MS**

According to the TE, "Monitoring and evaluation of the project's implementation was insufficient, with little attention for the ultimate goals of the project, and financial management did not include a monitoring of cost per component of the project." Furthermore, "the project had been only monitoring building energy consumption during the last two years, managed by a person with limited previous involvement in the project." Progress monitoring focused on energy performance of the demonstration buildings, but the reporting on the "wider-uptake" of energy efficient building practices is much weaker. According to the TE, project monitoring occurred for the two years following the construction of 2 pilot buildings [note: this was the project document plan and reiterated in the MTE because two winters worth of results were needed to make assessments], which continued after the project was effectively closed [the funding for which was a concern in the MTE], and that reporting on the main project goal of a national adoption of LCLE standards was "non-existent."

The TE comments on a number of M&E issues that reflect poorly on the IA and EA and suggest that these factors may have taken a toll on overall project effectiveness. Two years following the project close, at the time the final evaluation, "the project manager had left the project and was not available for discussions; the project coordinator had left the project, was available for discussions but, given the time lapse, didn't remember a lot of details about the implementation phase, and the executing agency didn't agree to an interview, despite various requests. Further, project records had been partially cleared in the meantime. [With] considerable effort, most key reports were collected, but some remain [un]available. A project final report had not been prepared, although it was a required output of the project. Upon request, a report was reconstructed for this final evaluation, focusing mainly on achieved results and including implementation details as far as these were known to current staff of the implementing agency."

b.1 Was sufficient funding provided for M&E in the budget included in the project document?

M&E does appear in provisional budget of the project document as $11,620, which is consistent with the final budget provided to the final evaluators by the IA. However, the TE declares, "Even now, at the end of the project, there is no proper overview on what topics the project spent its budget, even if audits confirm that all was spent in accordance with UNDP's rules."

b.2a Was sufficient and timely funding provided for M&E during project implementation?

TE states that "financial management was weak," but there is little information specifically on how funds were spent for M&E activities. As mentioned above, there was reporting evidence for only one of the two major M&E objectives in the project. Yet, the TE indicates that the M&E budget was sizeable for such a project.

b.2b To what extent did the project monitoring system provided real time feed back? Was the information that was provided used effectively? What factors affected the use of information provided by the project monitoring system?

The project document prescribed annual external reviews of progress and intermediary results by an external consultant. TE states that even though such reports are "overly elaborate for a small project like this," there is no evidence that this occurred in implementation, or how/whether the budget allotment for this item was spent. There was an unscheduled midterm review for which the TE indicates that although documentation is lacking, the recommendations and lessons learned appear to have been integrated into the project implementation. The MTE notes that "of particular note in relation to project implementation are the constructive roles played by the Steering Committee and working teams/panel of experts." This relationship brought about a "valuable exchange" and there was "healthy competition" among the working teams in the panels of experts, who serve as information dissemination channels.

The MTE recommendations also lead to the scaling down of the project objectives from changing the entire CR building market, to focusing on M&E of the existing construction and widely sharing those results and findings. The TE states that this was an opportunity for UNDP to question the validity of the entire project. Still, contrary to the TE's statement that the MTE ignored that the project could not possibly end on time, the MT evaluators were well-aware of how the project delays were affecting M&E and knowing the project would end in several months, noted, "The monitoring question should be discussed by the Steering Committee before the end of the project." (original emphasis) They suggest that SEVEn take on the role of organizing M&E, and suggest that realistic assessments of the budget for M&E and for dissemination of information to be (re)calculated.

b.3 Can the project M&E system (or an aspect of the project M&E system) be considered a good practice? If so, explain why.

The M&E system cannot fully be considered a good practice; even if results were gleaned from one out of the two main project outcomes for which there was to be monitoring and reporting. The plan and overall implementation was adequate, and adjusted as necessary according to input and recommendations throughout the project, but whether because of delays or by the negligence of the IA (as the TE suggests), the missing records, total budget allocation, miscalculations of pilot building performances (according to the TE), and lack of evidence of regular reports leaves evidence gaps too wide for it to be considered a well-structured and executed M&E system.

4.6 Assessment of Quality of Implementation and Execution

a. Overall Quality of Implementation and Execution (on a six point scale): MU

b. Overall Quality of Implementation – for IA (on a six point scale): U

Briefly describe and assess performance on issues such as quality of the project design, focus on results, adequacy of supervision inputs and processes, quality of risk management, candor and realism in supervision reporting, and suitability of the chosen executing agencies for project execution.

The project goals and overall design were logical and well-thought out; however, as the TE put it, UNDP oversight was "insufficient." The project intended to create a government plan that was already in the works, attempted to change the entire market behavior toward LCLE in the course of one project (noted as overly ambitious in the MTE and TE), and required that a financial mechanism be in place for the continued construction of LCLE buildings but did not deliver on this basic objective. It does not appear from the TE that the UNDP played an active role in supervision input and processes, and it questions the validity of the project's technical outputs based on a faulty M&E system. As there were no government and/or severe socio-economic barriers to overcome, the overall risk management would not have been a major factor in project success. Despite these positive circumstances, UNDP still appears to have failed to manage risks effectively, provide specific expertise for the project, or require training or experience in LCLE buildings for the project manager. Based on the MTE and TE, financial planning and technical reporting had the least adequate oversight.

The candor and realism in reporting was low, due to two important criticisms noted in the TE: 1. choice of executing agency, and 2. general lack of information on performance and results (partially effects of high human resources turn-over: the loss of the project manager and project coordinator from the IA shortly after the project ended, and change in the GEF focal point person before the TE was written).

c. Quality of Execution – for Executing Agencies[5] (rating on a 6 point scale): MS

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

The TE states, "It was noted that the executing agency was not available for a meeting during the final or mid-term evaluations, and that stakeholder reports indicate that it has hardly been active in recent years." The MTE states that like the IA, it fulfilled its role without notable problems or difficulties. However, both the MTE and TE suggest a notable lack of involvement, with the TE describing their role as "opaque," and suggests that a more apt EA may have been the Ministry for the Environment, which had no formal role in the project but assumed the unofficial position of national project director. There is no evidence of a conflict of interest or otherwise, but the head of SEVEn is noted as a former Minster for the Environment, which may have lent reasoning to the center's qualifications. The EA's executive director offered a response to the draft TE, recommending that it not be approved. He responded point by point to the results presented in the TE and flatly denies the lack of technical expertise and subsequent inaccurate reporting of building performance and mismanagement of (effectively a lack of information about) budget. However, as there is no third party evidence presented, it is impossible to substantiate his retorts.

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

5. LESSONS AND RECOMMENDATIONS

Assess the project lessons and recommendations as described in the TE

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

Under implementation:

1. The 'learning by doing' approach of the project was appreciated by stakeholders, but there was not enough time in the project to really allow for a good communication between all involved experts.
2. Different experts like engineers and architects have difficulty understanding each other's approach to building design, and lack a common language to discuss matters.

b. Briefly describe the recommendations given in the terminal evaluation

There are no recommendations regarding corrections in the implementation or results of the project, as it has been operationally closed for two years. Recommended, however, is to improve reporting about the project and specifically:

- To prepare, by someone else than the implementing agency, an accurate overview of spending on this project, correctly listing the outputs or results that budgets have been used for and the type of spending involved.

- To correct the presentation of energy results of the demonstration buildings, properly taking into account the CO2 impact of using electricity for heating;

- To collect and make available for future reference, as far as possible, reports and other materials prepared within this project.

Further, project management improvements at the GEF and UNDP are recommended, to prevent repetition of past errors:

- For the GEF and UNDP to improve the review of project documents, checking completeness and consistency of project designs.

- For UNDP to improve project oversight.

A further issue that might benefit the country is to communicate the lesson that attention for building shell insulation is not sufficient to achieve energy efficient buildings. This mistake was made by the project; it might benefit others to be warned not to do the same.

6. QUALITY OF THE TERMINAL EVALUATION REPORT

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

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

6.2 Quality of the terminal evaluation report	Ratings
a. To what extent does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives? Given that the TE was completed 2 years after the close of the project, there would theoretically be information available on the success of outcomes and possible impacts available. However, basic information such as cost per ton of CO2 equivalent and total (even if estimated) impact of the project are absent from the TE.	4
b. To what extent the report is internally consistent, the evidence is complete / convincing and the IA ratings have been substantiated? Are there any major evidence gaps? Ratings are rational and internally consistent with evidence indicated, but whether by the fault of the evaluators or otherwise, there remain major gaps in evidence. The TE is unable to assess basic information about results & impacts and financial information.	3
c. To what extent does the report properly assess project sustainability and /or a project exit strategy? The TE identifies the context of risks to sustainability and outlines the probabilities of achieving sustained results, pointing out that the awareness raising aspect of the project is probably the most important impact that can sustain future impacts.	5

d. To what extent are the lessons learned supported by the evidence presented and are they comprehensive? The lessons learned are substantiated with evidence from the final evaluation process, are comprehensive, and are consistent with trends that can be identified in the MTE.	5
e. Does the report include the actual project costs (total and per activity) and actual co-financing used? The TE repeatedly notes difficulties in obtaining budget information; only claiming access to two conflicting itemized budgets presented to them by the IA. There were no records kept of spending per objectives or output of the project, and the budget changed substantially according to decisions reportedly made by the project manager.	3
f. Assess the quality of the reports evaluation of project M&E systems? The TE adequately addressed the M&E system but was unable to obtain critical documentation and reports from the IA and therefore its assessment was incomplete.	4

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

8 Project stakeholders and Key Contacts (Names, addresses, emails etc – mandatory for field visit countries)

From the TE:

The stakeholders of the project are primarily the nationally involved parties in construction sector regulations and in building design. Government stakeholders are:

- The Ministry for Regional Development
- The Ministry of Environment
- The State Environmental Fund
- The Ministry of Industry and Trade
- The Czech Energy Agency
- The Construction Authorities
- The Union of Towns and Communities of the Czech Republic

Furthermore, the following parties have a key role to play in the advancement of thermal building codes:

- The Czech Chamber of Authorized Engineers and Technicians in Construction Business
- The Czech Normalization Institute

9. Information Gaps (for Field visit countries only)