

GEFM&E Terminal Evaluation Review Form

1. PROJECT DATA				
			Review date:	10/03/05
GEF ID:	576		<u>at endorsement</u> (Million US\$)	<u>at completion</u> (Million US\$)
Project Name:	Barrier Removal to Encourage and Secure Market Transformation and Labeling of Refrigerators	GEF financing:	0.710000	0.710000
Country:	Tunisia	Co-financing:	1.236000	1.311000
Operational Program:	OP 5	Total Project Cost:	\$1.946000	\$2.021000
IA	UNDP	<u>Dates</u>		
Partners involved:	Centre Technique des Industries Mécaniques et Electriques (CETIME), Private SEC Institut National de la Normalisation et de la Propriété Intellectuelle (INNORPI), Government.	Work Program date		
		CEO Endorsement		03/26/1998
		Effectiveness/ Prodop Signature (i.e. date project began)		27/04/99
		Closing Date	Proposed:	Actual:
		04/2001	December 2004 (revised closing)	
Prepared by: Neeraj Kumar	Reviewed by: Siv Tokle	Duration between effectiveness date and original closing: two years	Duration between effectiveness date and actual closing: Four years and 6 months	Difference between original and actual closing: Two years and six months
Author of TE:	Baastel, Canada	TE completion date: 11/04	TE submission date to GEF OME: 08/01/2005	Difference between TE completion and submission date: 9 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	S			MS
2.2 Project outcomes	S			MS
2.3 Project sustainability	N/A			MS
2.4 Monitoring and evaluation	N/A			U/A
2.5 Quality of the evaluation report	N/A	N/A		MS

Should this terminal evaluation report be considered a good practice? Why?

The report is not comprehensive. For example – there is little discussion on financial issues or on M&E system. No information has been provided on some of the major outcomes such as the extent to which the energy efficient products have been taken up in the market and, as indicated in the expected outcomes, to what extent have the local manufacturers have initiated investments in energy efficient refrigerator design, components and testing/monitoring equipments.

3. PROJECT OBJECTIVES, EXPECTED AND ACTUAL OUTCOMES

3.1 Project Objectives

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

The overall objective of this project is to assist the Government of Tunisia in reducing the long-term growth of GHG emissions from electric power generation and from consumption of non-renewable fuel resources.

In responding to the new operating conditions, public and private industry must invest in process modifications of cooling appliance equipment to remain competitive, with excellent likelihood that their investments will have favorable rates of return based on savings from reduced operating costs. The funding for this project will leverage the new investments in ways that are most beneficial to the global environment.

No change.

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

Market Transformation of domestic refrigeration technology initiated within first year of project and achieved in the medium term.

Immediate objectives of the projects are:

- Energy efficiency and consumption labels for all Tunisian domestic refrigerators developed and adopted by end of year 1 of project; and,
- Increased use of and demand for domestic energy efficient refrigerators.

No change.

3.2 Outcomes and Impacts

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

The major expected outcome and impacts as listed in the project proposal documents were:

- CO2 emissions reduction of 15.5 million tons by 2030 (at 0.48 MTCO2 per year)
- Within one year of project initiation, 25-50% of all local manufacturers will have initiated investments in energy efficient refrigerator design, components and testing/monitoring equipment.
- A mandatory labeling system is enacted and at the end of year one of project and an enforcement mechanism is put in place.

According to the TE the project has led to following outcomes:

- Three different laws or state decision pertaining to energy efficiency; labeling of equipments and electric appliances; and, labeling of cooling appliances, have been passed.
- Project implementation has created an excellent base for building capacities in the key actors such as public institutions, manufacturers of cooling appliances, and local professionals. The manufacturers associated with the project have reported that this association has led to an improvement in their capacities to improve the energy efficiency of their products.
- The documents produced as part of the project activities have led to an improvement in the knowledge on the technical and commercial characteristic of the cooling appliances in Tunisia. The present state of knowledge is sufficient to adequately inform the decision makers on issues related to energy efficiency in the cooling appliances.
- Project succeeded in consolidating the inter-institutional links in the field of energy efficiency associated to the cooling appliances market. It managed to develop a collective vision of results to be achieved, in the energy labeling of other electric appliances planned by the law.
- The project allowed for a reinforcement of the dialogue between the public and private sector as well as the preparation of a favorable context to the pursuance of the objectives of the project.
- If major assumptions hold, experts believe that following impacts of the project can be expected in future:
 - *A reduction of the consumption of electricity of a cumulated 8.6 for the period between 2005-2030;*
 - *A reduction of the GHG emission of about 3,4 MTECO₂;*
 - *A net gain for the consumers of about 721 MDT for the period of 2005-2030;*
 - *A reduction in the importation cost of gas of about 183 MTD;*
 - *A reduction of the importation cost of production and delivery equipment of electricity of 152 MTD;*
 - *An increase in the cost of importation of components and equipments for the manufacturing of cold appliances of about 57 MTD;*
 - *A reduction in the cost of net importation of 277 MTD (gas + electric equipment +cooling appliances components); and,*
 - *A reduction of the investment by the STEG in electric infrastructure of 254 MTD.*
- For the manufacturers, the expected impacts are the following:
 - *An increased capacity to improve the energy efficiency of their products. This applies to manufacturers of models under the license in the kit form or models with a high level of imported assembling;*
 - *A minimum investment for the big manufacturers and no investments for the replacement of premature replacement of molding structure of insulation foam; and,*
 - *That the minimum standards of performance will serve also as a mean to prevent*

dumping of products of less quality on the Tunisian market after the opening of its market to the European market.

4. GEF OFFICE OF M&E ASSESSMENT

4.1 Outcomes and impacts

Rating: MS

A Relevance

- **In retrospect, were the project's outcomes consistent with the focal areas/operational program strategies? Explain**

Yes.

Projects intended outcomes and objectives are consistent with the objective of addressing the climate change issue, the chosen focal area. Outcomes such as promulgating laws that require labeling of electric appliances, standards for energy efficiency and labeling of cooling appliances, etc are very consistent with the goals of the focal area. These efforts are likely to lead to greater energy efficiency in the refrigeration and cooling appliances market, which in turn could lead to lower consumption of electricity reducing carbon emissions.

MS

B Effectiveness

- **Are the project outcomes as described in the TE commensurable with the expected outcomes (as described in the project document) and the problems the project was intended to address (i.e. original or modified project objectives)?**

The project has been successful in meeting one of the important outcomes expected from the project: it has been able to help in promulgation of the legal documents that introduce the obligation of labeling on the electric appliances, especially the cooling appliances. Three different laws or state decision pertaining to energy efficiency; labeling of equipments and electric appliances; and, labeling of cooling appliances, have been passed.

Another outcome that seems to have been achieved but not appreciated by the evaluation report is the domestic manufacturers of energy cooling appliances offering energy efficient products to the customers. According to the project implementation report of 2004, as a result of the project out of 12, five producers are offering such energy efficient products to the consumers.

There is no data showing how many energy efficient products have been sold (up take of the technology, which was one of the objectives of the project), and also how the present scenario is different from what would have been had the project not been taken up. This leaves the major question unanswered as to whether the project outcomes will in fact contribute to reduce carbon emissions and what could be the future trends.

MS

C Efficiency (cost-effectiveness)

- **Include an assessment of outcomes and impacts 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? Was the project implementation delayed due to any bureaucratic, administrative or political problems?**

The calculations done in the worksheet of the project proposal show that assuming 15.5 million tons of carbon dioxide emissions will be reduced the abatement cost per ton of carbon emissions reduced will be 0.18 \$/ton Carbon. However, there is no data to show by how much the market transformation has led to increase in the uptake of the energy efficient refrigerators and other cooling appliances. All the estimates given in the TE are at best projections that are not supported by data.

Another issue that affects the cost effectiveness is the delay in implementation of the project. It

was intended to be a two year project but took more than four year in implementation so even if all the listed outcomes were achieved it would have been in a less cost effective manner than had been projected.

MU

4.2 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: MU
According to the TE, presently there is little financial support to ensure application of the regulatory measures that have been adopted by the state to promote energy efficiency, labeling of equipments and electric appliances; and, labeling of cooling appliances, other than that provided by the project. The terminal evaluation suggests that expenses for promotion of conformance to the minimum energy performance standards can be supported in large part by the Ministry on Industry and Energy in the frame of the national program of capacity building of industry.	
B Socio political	Rating: MS
The TE indicates that there has been some support for the project as can be seen from the promulgation of various laws and state orders that promote energy efficiency and labeling of equipments and electric appliances. The delay in implementation of the project, however, does raise the issue of the extent to which this support will be there in future. The key stakeholders, including the private manufacturers and cooling appliances manufacturers, have been involved in the implementation of the project, which can increase the likelihood that the industry adopts the provisions of the legal requirements. The TE indicates that another step to sustain the activities of the project will be to give its ownership to the Ministry of Energy and Industry. So far this has not been done.	
C Institutional framework and governance	Rating: MS
The TE indicates that the changes in the legal framework do create conditions to that will facilitate adoption of the energy efficient technology by the producers of the cooling and other electrical appliances. TE indicates that after the project is completed, there will be a need to run some of the activities of the project in the program mode by a central ministry that has adequate resources to do so.	
D Ecological (for example, for coffee production projects, reforestation for carbon sequestration under OP12, etc.)	Rating: HS
E Examples of replication and catalytic outcomes suggesting increased likelihood of sustainability	Rating: 5
According to the TE narrative, the high degree of ownership to the project by the private and institutional stakeholders is an indication that the project results could sustain after the closure of the project. Many signs lead to that direction, for example the results of the project are being disseminated within the institutions and their respective networks through the members of the steering committees. Similarly the training on EE appliances is being provided by CETIME, Ministry of Trade is providing training on the application of the new promulgated law, and the training is also being extended to managers of the cooling appliance stores. The project implementation report for 2004 also tells us that 5 of the 12 producers, in partnership with the Project, have started offering energy efficient products in the cooling appliances market. This does suggest that the project may be having some catalytic effect.	

4.3 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: U/A
Little information has been provided so unable to assess.	
B. Information used for adaptive management: What is the experience of the project with adaptive management?	Rating: U/A
Little information has been provided so unable to assess.	
Can the project M&E system be considered a good practice?	

Little information to make this judgment.

4.4 Lessons

Project lessons as described in the TE

What lessons mentioned in the TE that can be considered a good practice or approaches to avoid and could have application for other GEF projects?

The report emphasizes:

- importance of developing a project in a participatory manner;
- assessing beforehand the market potential for the energy efficient products so that there is a demand for energy efficient technology when the project becomes operational;
- providing the institutional partners opportunity to forge relationships that facilitate better implementation of the project;
- Hiring highly technically skilled professionals to provide advice and guidance to the operational in charge of the project, when the operational head may not be adequately skilled in the technical aspects of the program.

These practices could be adopted in many projects that are implemented in a similar program context. The TE, however, does not suggest any practices that should be avoided.

4.5 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.

4.5.1 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.

4.5.2 Quality of terminal evaluation report

Ratings

A. Does the report contain an assessment of relevant outcomes and impacts of the project and the achievement of the objectives?

MS

The report does contain assessment of some of the relevant outcomes such as whether or not laws promoting energy efficiency, labeling of equipments and electrical appliances, and labeling of cooling appliances. However, it does not provide sufficient information on more important and more substantive outcomes such as: the number of manufacturers that invested in producing energy efficient refrigerators, how many of such energy efficient products have been sold, and what have been the estimated CO2 emissions reductions to date due to adoption of such equipments in the market. The last annual performance review does tell us about 5 manufacturers out of 12 bringing out energy efficient products in the market as a result of the project; but the project evaluation itself does not say anything about it.

B. Is the report internally consistent, is the evidence complete/convincing and are the IA ratings substantiated?

MS

The report does seem to be internally consistent. However, it does not adequately explain some of the important issues. For example, its treatment of

the issue of delay in implementation of the project is very peripheral. Similarly, it shies away from providing concrete evidence to its opinion that the project has performed exceedingly well. The major impacts projections for the future are not rooted in the performance of the project so far.	
C. Does the report properly assess project sustainability and /or a project exit strategy? Yes, the report does assess the project sustainability. It links project's sustainability with the private and institutional stakeholders showing high degree of ownership for the project, which can ensure sustenance of project results after the end of the project. It assesses the influence that the changes in the legal framework will have towards this end. It also touches on the issue of devotion of financial resources for application of the regulatory measures and also the potential sources that can provide such support.	S
D. Are the lessons learned supported by the evidence presented and are they comprehensive? The lessons are supported by the evidence. The report emphasizes importance of developing a project in a participatory manner, assessing beforehand the market potential for the products being promoted, and providing the institutional partners opportunity to forge relationships that facilitate better implementation of the project. In all these instances, these statements have been supported with specific instances where such initiatives have been useful. The section is, however, not comprehensive. For example it does not touch up on any lessons relevant to the causes of delay in program implementation and how it affected project effectiveness. It did not elaborate on lessons on why some of the major expected outcomes have still not been achieved, for example, was the initial timeframe appropriate, etc.	MS
E. Does the report include the actual project costs (total and per activity) and actual co-financing used? No.	U
F. Does the report present an assessment of project M&E systems? No	U

4.6 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:	No: X
Explain: The technical assessment of the project impacts may not be required. The project has provided no evidence or data on to what extent have the CO2 emissions been reduced so the question of whether or not these estimates of impacts are technically sound does not arise. Projections have been made but they need to be discounted as they are not rooted in the data pertaining to the uptake of the energy efficient appliances. Other impacts, which have been discussed and evidence for which has been cited, are non technical in nature.		
Is there a follow up issue mentioned in the TE such as corruption, reallocation of GEF funds, etc.? No such issue has been discussed.		

4.7 Sources of information for the preparation of the TE review in addition to the TE (if any) Project Implementation Report 2004
