



## **MID-TERM EVALUATION**

of the UNDP/GEF Project

*“Lake Balaton Integrated Vulnerability Assessment,  
Early Warning and Adaptation Strategies”*

(Project 48480 - PIMS 3334)

### **Final Report**



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## List of Abbreviations and Acronyms

CLIME	Climate Impacts on Lake Ecosystems
CO	Country Office
DEWA	Division of Early Warning and Assessment
EIA	Environment Impact Assessment
ERP	Enterprise Resource Planning
ESRI	Environment Systems Research Institute
EU	European Union
EURURALIS	A Scenario Study on Europe's Rural Areas
GEF	Global Environment Facility
GEO	Global Environment Outlook
GIS	Geographical Information System
GOH	Government Of Hungary
GRID	Global Resource Information Database
GPRS	Global Positioning Resource System
IISD	International Institute for Sustainable Development
IMS	Internet Map Server
IPCC	Intergovernmental Panel on Climate Change
IWRM	Integrated Water Resources Management
JICA	Japan International Cooperation Agency
KEP	Development of Regional Sustainable Development Indicators Project (Hungary)
LB	Lake Balaton
LBDC	Lake Balaton Development Council
LBDCA	Lake Balaton Development Coordination Agency
MOEW	Ministry of Environment and Water (Hungary)
MSP	Medium Size Project
MTE	Mid-Term Evaluation
MTA	Academy of Science (Hungary)
NEX	National Execution
NGO	Non-Governmental Organisation
OECD	Organisation for Economic Co-operation and Development
PIR	Project Implementation Review
PSC	Project Steering Committee
QCS	Quarterly Consultant Schedule
QPS	Quarterly Partner Schedule
RBM	Result-Based Management
RTA	Regional Technical Advisor
SWAT	Soil, Water Assessment Tool
TOR	Terms of Reference
UN	United Nations
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
US	United States
USD	United States Dollar
USDA	United States Department of Agriculture
VAHAHA	Getting Prepared to (combat) Climate Changes in Hungary
VITUKI	Hungarian Water Resources Research Centre

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## DISCLAIMER

This report is the work of an independent consultant and does not necessarily represent the views, or policy, or intentions of the United Nations Development Programme (UNDP).

## EXECUTIVE SUMMARY

The project “*Lake Balaton Integrated Vulnerability Assessment, Early Warning and Adaptation Strategies*” is a joint initiative of the United Nations Development Programme (UNDP) and the Lake Balaton Development Council (LBDC). The project is executed with standard UNDP national execution (NEX) modalities, the UNDP is the GEF implementing agency, the LBDC is the national executing agency and the Lake Balaton Development Coordination Agency (LBDCA) is the national implementing agency. The LBDCA is implementing the project in collaboration with the International Institute for Sustainable Development (IISD) and the United Nations Environment Programme (UNEP) – both as project partners, which have each a representative on the project steering committee and project management board. The project has a total budget of USD 4.075M that are financed by a GEF contribution of USD 985,000 and by co-financing commitments of about USD 3.080M; including LBDC for USD 3,000,000, UNEP for USD 50,000 and IISD for USD 40,000. The project started in Jan. 2006 and its revised closing date is Dec. 31, 2008.

The project goal is to facilitate the development and implementation of effective adaptive strategies. The objective of the project is to contribute to a better understanding of the Lake Balaton ecological and socio/economic system’s vulnerability and resilience arising from multiple forces of global and local change, including land use, demographic, economic and climate change and build capacity for more effective policy making and adaptation measures in response.

This mid-term project evaluation (a requirement of UNDP/GEF procedures) was initiated by UNDP Bratislava - as the GEF Implementing Agency. It provides an in-depth reflection of project progress, priority actions for the last phase of the project and for other future UNDP/GEF climate change adaptation projects.

This evaluation is based on a desk review of project documents and on interviews with project staffs and key project informants. The methodology included the development of an evaluation matrix to guide the entire data gathering and analysis process. The findings were triangulated with the use of multiple sources of information when possible. The evaluation report is structured around the GEF five evaluation criteria: *Relevance, Effectiveness, Efficiency, Results/Impacts and Sustainability*.

### ***The main findings of this final evaluation are:***

Overall, the progress of the project is rated as satisfactory. The project is highly relevant for the Lake Balaton area and Hungary in the context of the recently approved national climate change strategy and the soon-to-be-approved national adaptation action plan 2008-2010. However, despite a good concept/design, the project objectives are too optimistic given the anticipated timeline. As a result, time pressure has existed from the outset of the project; compounded by a slow project start-up. The national ownership of the project is mostly limited to LBDCA without other connections such as the Ministry of Environment and Water and the Water Management Authority, due partly to the fact that a limited number of national consultants were used through the implementation. In the meantime, the focus on capacity development is too weak; a capacity development strategy would be needed (as planned originally) to identify the capacity gaps and capacity needs to ensure the “*overall ability of a system to perform and sustain itself*”.

Nevertheless, the project has been providing tools and instruments to better understand the Lake Balaton ecological and socio/economic system’s vulnerability and resilience arising from multiple forces of global and local changes such as: an Internet Map Server, Climate and Land Cover Change Scenarios, a customized SWAT instrument to assess environmental impacts on the Lake Balaton watershed, a sustainable development indicator system for the region, and, a web-based information tool on the area (“BalatonTrend”). It also contributed to the mainstreaming of adaptation measures within the small grant scheme of LBDCA.

Finally, the expected project results are being delivered but there is a risk that these products will not be fully institutionalized before the project end. This would limit the long-term impact and sustainability of the project results. Opportunities for institutionalizing these products exist through the full transfer of project results to LBDCA, through cooperation with the Ministry of Environment and Water to develop the national climate change adaptation action plan, through the Water Management Authority to mainstream the SWAT

instrument within their work and possibly through other existing initiatives. This is the main challenge of the project for the remaining period to make it a success.

***The main lessons learned are:***

- A project design with a weak sustainability strategy and no exit strategy is a limiting factor for the success of a project.
- With the support of two international partners, the project developed state-of-the-art tools and instruments to assess the vulnerability of the Lake Balaton to climate change and the impact of future adaptation scenarios. The project was able to make “in-roads” in the area of climate change adaptation and several achievements are replicable at the national level in Hungary but also in the region and worldwide.
- Implementing a project with international partners has clear advantages such as access to a broad range of skills and knowledge. However, often it also has the disadvantage of not putting enough emphasis on national ownership and development of local capacity.
- When a project is implemented by the same organization(s) that designed it, there is a risk of focusing on short-term production of project deliverables and forgetting the overall development objective(s) of the project.
- The timeline of the project is inadequate to strengthen the capacity for formulating and implementing adaptive strategies, to strengthen the policy framework in a particular area and to implement direct actions with results expected during the lifetime of the project. A 5-year duration minimum should be required for this type of initiative.
- Having an executing agency placed within an existing key organization in the project area instead of a traditional external project management unit connects the project better to existing local processes and mechanisms.
- Management issues are often not part of the identified risks before project start-ups. However, projects often face management issues that may impact negatively project achievements. Considering these risks earlier in project implementation would help project management teams to focus more on these issues and address them earlier.

***Recommendations to End the Project are:***

1. As soon as possible the project management team in close collaboration with UNDP should draft an exit plan. It should include a mini-work plan for the period July-December 2008 and a plan for project administrative procedures such as the administration, finance and procurement (handover) to close the project.
2. The work plan for the remaining 6 months period should focus primarily on the institutionalization of project deliverables. A set of project products should be totally completed in the coming weeks. The project implementation team should focus on their institutionalization and an initial work plan to address this aspect has been discussed during this evaluation.
3. During the next 6 months, all project information should be packaged and made public - in both languages: Hungarian and English. A mix of hard copies and web-based information products should be developed. The project web site – currently coordinated by LBDCA – should be completed as soon as possible. It should include all project information and at least all links to other sites where project data are stored such as the IMS on a UNEP web site and BalatonTrend on IISD web site.
4. Follow-up discussions with the Ministry of Environment and Water (MEW) to cooperate with them on the preparation of the national climate change adaptation action plan.
5. Initiate dialogue with the Water Management Authority to discuss the opportunity to transfer the SWAT instrument to the organization.
6. Organize a final conference to showcase the project results such as the one recently organized on the Tizsa River in the Parliament. The project management team should organized it with the support of Stakeholders such as the Ministry of Environment and Water.
7. A final workshop with LBDC members is recommended to provide an overview of the project achievements and their institutionalization/sustainability.

8. A complete copy of all project results should be left at LBDCA; including a copy of the data/models/systems hosted on partners' web sites such as the IMS database, the SWAT instrument, and the BalatonTrend information tool.
9. Follow up on publishing the project achievements into the Regional Development Journal as part of a special issue on the Lake Balaton Region to be published this summer (2008).
10. Write a case study on the project using the existing material – particularly the publication to be prepared for the Journal (see above) – and publish it to the Adaptation Learning Mechanism ([www.adaptationlearning.net](http://www.adaptationlearning.net)). More publication could be published to this site to promote particular achievements of the project such as the SWAT model adapted to the Lake Balaton area, the BalatonTrend information tool and the sustainable development indicator system and its development.

***Opportunities for UNDP and GEF are:***

11. UNDP has accumulated an extensive body of knowledge in capacity development. It should ensure that for each project where capacity development is involved, a strategy should be developed early in the project and should encompass all elements of capacity development – based on the UNDP body of knowledge on capacity development - to ensure the “*overall ability of a system to perform and sustain itself*”.



## 1. INTRODUCTION

1. This report presents the findings of the Mid-Term Evaluation of the UNDP/GEF Project “*Lake Balaton Integrated Vulnerability Assessment, Early Warning and Adaptation Strategies*”. This evaluation was performed by an independent Consultant Mr. Jean-Joseph Bellamy on behalf of the United Nations Development Programme (UNDP).

2. This mid-term evaluation report includes seven sections. Chapter 2 presents an overview of the project; chapter 3 briefly describes the objective, scope, methodology, evaluation users and limitations of the evaluation; chapter 4 presents the findings of the evaluation. Conclusions, lessons learned, and recommendations are presented in Chapters 5, 6 and 7 respectively and relevant annexes are found at the back end of the report.

## 2. CONTEXT AND OVERVIEW OF THE PROJECT

3. Located in the Transdanubian region of Western Hungary, the Lake Balaton (LB) catchment area, including the lake itself is 5775 km<sup>2</sup>. Lake Balaton is the largest lake in Central-Europe. With a surface area of 593 km<sup>2</sup>, 78 km in length, 7.6 km width and an average depth of 3.2 m, it is one of the shallowest large lakes of the world. Detailed meteorological data are available since 1921. Average temperature in the LB catchment is 10 °C and average precipitation is 686 mm/year. A slight negative trend in precipitation is observable over the last 80 years. Of the 52 surface watercourses on the watershed, 20 are monitored for water quality regularly. The average discharge of the Zala River, the largest surface watercourse is 8 m<sup>3</sup>/s. Most of the tributaries of Lake Balaton are short, steep watercourses with intensive flash floods in case of storm events. The average slope of cultivated land is 5.6 degrees, but 33% of it lies on slopes greater than 5 degrees where surface runoff may result in significant washout of nutrients and soil erosion.

4. Lake Balaton, as the largest freshwater lake in Europe, is a critical site for migratory species. Several bird species use the site as a staging area. Among endangered resident species, the black stork (*Ciconia nigra*) and black woodpecker (*Dryocopus martius*) are prominent. The lake itself contains about 2000 species of algae, 1200 species of invertebrates and 51 species of fish. The flora and fauna of the surrounding landscape are particularly diverse due to the mild, Mediterranean like climate. A large number of rare and protected plant species can be found in the area, including several rare, sub-mediterranean plant species, such as *Sternbergia colchiciflora* and *Scilla autumnalis* on grasslands surrounding the lake. In recognition of its importance for biodiversity, Lake Balaton has been designated a seasonal Ramsar site between October 1 and April 30 each year, while the adjoining Kis-Balaton, a reconstructed wetland and water pollution control structure in the westernmost end of the lake received year-round designation and protection (Ramsar Convention 2003a and 2003b).

5. Lake Balaton now has a decades-long history of eutrophication. The first definite signs of eutrophication were observed in 1972, while in 1982 the first mass bloom of algae occurred, forcing the government into action. The measures taken included, among others, sewer development, sewage treatment plant effluent diversion to neighbouring watersheds, introduction of phosphorus removal at sewage treatment plants, and reconstruction of the Kis-Balaton wetland as a water pollution control facility. The most severe algal bloom in the history of Lake Balaton occurred in 1994. Post-1994 water quality stabilized and somewhat, though probably not irreversibly, improved due to the temporary drastic reduction in fertilizer use after the collapse of state farms and agricultural cooperatives in the early 1990s. As of 2003 fertilizer use is still less than 20% of the amounts used in the early 1980s. However, fertilizer application is expected to rise, since soils have become increasingly nutrient depleted and the gradual introduction of EU farm subsidies will likely result in increased fertilizer use and a consequent rise in nutrient load on the lake.

6. Due to the combined effects of planned water quality protection measures, the unplanned drop in fertilizer use and favourable meteorological conditions, water quality was not as serious a concern over the last few years as before 1995. However, a new and potentially more damaging threat, decreasing water level started to emerge in 2000. The water budget was negative through the years 2000, 2001, 2002 and 2003 resulting in a zero-outflow situation for more than 4 years. By late 2001 the situation was approaching crisis proportions and prompted the LBDC to call for proposals to explore possible solutions to the water deficit.

7. This raised and continues to raise serious sustainability concerns in the Lake Balaton area, Hungary and the region. Due to these trends sensitivity of Lake Balaton to climate change and its impacts came to the fore both for policy and science. Because of Lake Balaton's high profile and the relative immaturity of the vulnerability and adaptation policy agenda, there was a strategic opportunity to influence the way this agenda unfolds in Hungary and other countries of the region. Besides Lake Balaton there are also many other shallow lakes and reservoirs of significant economic and ecological importance in Hungary and the region facing similar vulnerability and adaptation problems where lessons from this initiative can be applied.

8. Lake Balaton's internationally unique vulnerability situation is the combined result mainly of its very shallow profile and the fact that through heavy reliance on tourism as a primary source of livelihoods, the socio-economic consequences of ecological deterioration can be severe and immediate. If the frequency of years with negative water balance indeed increase in the future - as indicated by applicable climate change scenarios - Lake Balaton and the coupled socio-economic system is expected to emerge as a highly sensitive and internationally unique indicator of vulnerability to global change. On a more positive side, it could also serve as a high profile example of adaptation measures consistent with sustainable development. In recognition of this potential UNEP's Division of Early Warning and Assessment designated this project Lake Balaton as a pilot under its Early Warning Strategy.

9. In the face of considerable uncertainties and lack of understanding related to the expected trajectories and impacts of climate change and both ecological and socio-economic acceptability of such measures, there was a need not only for strengthening research on vulnerability and adaptation, but also for connecting its results to policymaking and the emerging social discourse on the condition and future direction of the lake systems. Forward looking integrated assessment, involving the participation of science and a wide range of stakeholders, was a recognized essential next step in order to review existing knowledge in light of new concerns, assess policy implications and options, and to engage affected stakeholders in constructive dialogue about adaptation.

10. The project "*Lake Balaton Integrated Vulnerability Assessment, Early Warning and Adaptation Strategies*" is a joint initiative of the United Nations Development Programme (UNDP) and the Lake Balaton Development Council (LBDC). The project is executed with standard UNDP national execution (NEX) modalities, the UNDP is the GEF implementing agency, the LBDC is the national executing agency and the Lake Balaton Development Coordination Agency (LBDCA) is the national implementing agency. The LBDCA is implementing the project in collaboration with the International Institute for Sustainable Development (IISD) and the United Nations Environment Programme (UNEP) – both as project partners, which have each a representative on the project steering committee and project management board. The project has a total budget of USD 4,075,000 that are financed by a GEF contribution of USD 985,000 and by co-financing commitments of about USD 3,080,000; including LBDC for USD 3,000,000, UNEP for USD 50,000 and IISD for USD 40,000. The project started in January 2006 and the planned revised closing date is December 31, 2008.

11. As a result of a multi-year cooperation between LBDCA, UNEP and IISD, the concept of the project is to complement ongoing policy initiatives and scientific research, and to have a clear niche by focusing on better understanding of the vulnerability of the Lake and its watershed from an integrated perspective. Climate change is seen as one of the emerging important determinants of vulnerability, but its impacts are considered in the broader context of sustainable development. The project aims to build on the results and significant tradition of scientific work in the Lake Balaton region, recently initiated research in Hungary focused on adaptation to climate change, as well as innovative approaches to integrated assessment of vulnerability to global change and the formulation of adaptive measures. The ultimate goal is to facilitate the development and implementation of effective adaptive strategies.

12. The objective of the project is to contribute to a better understanding of the Lake Balaton ecological and socio/economic system's vulnerability and resilience arising from multiple forces of global and local change, including land use, demographic, economic and climate change and build capacity for more effective policy making and adaptation measures in response. The project has five outcomes:

- It will strengthen ecological and socio/economic resilience by **increased understanding** of lake and watershed processes viewed through the lens of vulnerability and adaptation.

- It will **strengthen capacity** for formulating and implementing adaptive strategies compatible with sustainable development.
- It will strengthen the **policy framework** conducive to adaptive management with particular interest to institutional mechanisms and economic incentives and disincentives.
- It will facilitate adaptation to the impacts of climate change through **direct action** in the form of pilot initiatives funded through LBDC's existing small grants facility and innovative financing mechanisms.
- It will enhance **public and policymaker awareness** of integrated vulnerability and adaptation approaches locally, nationally and internationally, including contribution to the GEF's project on the Adaptation Learning Mechanisms.

### 3. DESCRIPTION OF THE EVALUATION

13. This mid-term project evaluation (a requirement of UNDP/GEF procedures) was initiated by UNDP Bratislava - as the GEF Implementing Agency. This evaluation provides an in-depth reflection of project progress, priority actions for the last phase of the project and for other future UNDP/GEF climate change adaptation projects.

#### 3.1. Objectives

14. The overall purpose of this mid-term evaluation was to measure the effectiveness and efficiency of project activities in relation to the stated objective so far, and to produce possible recommendations on how to improve the management of the project until its completion in 2008. It will serve as an agent of change and play a critical role in supporting accountability. Its main objectives were to:

- (i) Strengthen the adaptive management and monitoring functions of the Project;
- (ii) Ensure accountability for the achievement of the GEF objective;
- (iii) Enhance organizational and development learning;
- (iv) Enable informed decision-making;

#### 3.2. Scope

15. A particular emphasis was put on the current project results and the possibility of achieving all the objectives in the given timeframe - taking into consideration the speed at which the project is proceeding. More specifically and based on the Terms of Reference (*see Annex I*), the evaluation assessed:

- Project Concept and Design
  - Conceptualization/Design
  - Country Ownership/Drivenness
  - Stakeholder Participation
  - Replication
- Implementation
  - Implementation Approach
  - Monitoring and evaluation
  - Stakeholder Participation
  - Financial Management
  - Sustainability
  - UNDP Mission to Promote Sustainable Human Development
- Project Outputs, Outcomes and Impacts
  - Attainment of Outcomes/Achievement of Objectives
- Recommendations/Lessons Learned

#### 3.3. Methodology

16. The following methodology is compliant with international criteria and professional norms and standards; including the norms and standards adopted by the UN Evaluation Group.

### 3.3.1. Overall Approach

17. The evaluation was conducted in accordance with the “*GEF Monitoring & Evaluation Policy*” as well as the “*UNDP/GEF Monitoring and Evaluation Policy*”. It was undertaken in-line with the GEF principles: *independence, impartiality, transparency, disclosure, ethical, partnership, competencies/capacities, credibility and utility*. It considered two GEF evaluation objectives at the project level: (i) promote accountability for the achievement of GEF objectives; including global environmental benefits; and (ii) promote learning, feedback and knowledge sharing on results and lessons learned among GEF and its partners.

18. The Evaluator developed and uses tools in accordance with the GEF policy to ensure an effective project evaluation. As mentioned in the TOR, the evaluation was conducted and the findings are structured around the GEF five major evaluation criteria; which are also the five internationally accepted evaluation criteria set out by the Development Assistance Committee of the Organisation for Economic Co-operation and Development:

- *Relevance* relates to an overall assessment of whether the project is in keeping with its design and in addressing the key priorities to ensure that the obligations under the UNFCCC are met and in keeping with the donors and partner policies, as well as with national and local needs and priorities.
- *Effectiveness* is a measure of the extent to which formally agreed expected project results (outcomes) have been achieved, or can be expected to be achieved.
- *Efficiency* is a measure of the productivity of the project intervention process, i.e. to what degree the outcomes achieved derive from efficient use of financial, human and material resources. In principle, it means comparing outcomes and outputs against inputs.
- *Impacts* are the long-term results of the project and include both positive and negative consequences, whether these are foreseen and expected, or not.
- *Sustainability* is an indication of whether the outcomes (end of project results) and the positive impacts (long term results) are likely to continue after the project ends.

19. In addition to the GEF guiding principles described in the TOR, the Evaluator also applied the following methodological principles to conduct the evaluation: (i) Participatory Consultancy; (ii) Applied Knowledge: the Evaluator’s working knowledge of evaluation theories and approaches and its particular expertise in environmental issues were applied to this mandate; (iii) Results-Based Management; (iv) Validity of information: multiple measures and sources were sought out to ensure that the results are accurate and valid; (v) Integrity: Any issue with respect to conflict of interest, lack of professional conduct or misrepresentation was immediately referred to the client if needed; and (vi) Respect and anonymity: All participants had the right to provide information in confidence.

20. The approach described below was proposed to UNDP-Bratislava and the Project Manager for their review prior to being used by the Evaluator to conduct the assignment. Any changes were in-line with international criteria and professional norms and standards; including the norms and standards adopted by the UN Evaluation Group.

21. The evaluation was conducted following a set of steps presented in the table below:

**Table 1: Steps Used to Conduct the Evaluation**

<b><u>I. Review Documents and Prepare Mission</u></b> <ul style="list-style-type: none"><li>▪ Start-up teleconference/finalize assignment WP</li><li>▪ Collected and reviewed project documents</li><li>▪ Elaborated and submitted <b><u>evaluation work plan</u></b></li><li>▪ Prepared mission: agenda and logistic</li></ul>
<b><u>II. Mission / Collect Information</u></b> <ul style="list-style-type: none"><li>▪ Mission to Hungary for the Evaluator</li><li>▪ Interviewed key-Stakeholders and conducted field visits</li><li>▪ Further collected project related documents</li><li>▪ Mission debriefings / <b><u>Mission report summary</u></b></li></ul>
<b><u>III. Analyse Information</u></b> <ul style="list-style-type: none"><li>▪ In-depth analysis and interpretation of data collected</li></ul>

- Followed-up interviews (if necessary)
- Elaborated and submitted **draft evaluation report**

#### **IV. Finalize Evaluation Report**

- Circulated draft report to UNDP/relevant stakeholders
- Integrated comments and submitted **final report**

22. Finally, the evaluation team also applied the “*Ethical Code of Conduct for UNDP Evaluation*”. The Evaluator conducted evaluation activities, which were independent, impartial and rigorous. The Mid-Term Evaluation (MTE) seeks to contribute to learning and accountability. The Evaluator has personal and professional integrity and was guided by propriety in the conduct of his business.

### **3.3.2. Evaluation Instruments**

23. The evaluation provides evidence-based information that is credible, reliable and useful and that is easily understood by project partners and applicable to the remaining period of project duration. The findings were triangulated through the concept of “multiple lines of evidence” using several evaluation tools and gathering information from different types of stakeholders and different levels of management. In order to conduct this final evaluation, the following evaluation instruments were used:

**Evaluation Matrix:** As part of the initiation phase, the Evaluator developed an evaluation matrix based on the evaluation scope presented in the TOR, the project log-frame and the review of the key project documents (*see Annex 2*). This matrix is structured along the five GEF evaluation criteria and includes a comprehensive list of evaluation questions. It provided overall directions for the evaluation, is used as a basis for interviewing people and reviewing project documents and provides a basis for structuring the evaluation report. This matrix was assembled with an overview of the project, the evaluation scope and the proposed methodology to complete the evaluation work plan.

**Documentation Review:** It was conducted in Hungary and in Canada by the Evaluator. In addition to being a main source of information, all documentation was used as preparation for the mission of the Evaluator. A list of documents was provided in the TOR and the Evaluator searched other relevant documents through the web and contacts (*see Annex 3*).

**Interview Guide:** An interview guide was developed to solicit information from the stakeholders (*see Annex 4*). As part of the participatory approach, the Evaluator ensured that all parties view this tool as balanced, unbiased, and structured. It was also used for interviews to be conducted by phone or email when needed.

**Mission Agenda:** An agenda for the 5 working day mission to Hungary was developed during the preparatory phase (*see Annex 5*). The process was to review the list of Stakeholders to be interviewed and to ensure that this list represents all project Stakeholders. Then, in collaboration with the Lake Balaton Project Manager and the UNDP-Bratislava Office, the interviews were planned during the weeks prior to the mission. The objective was to have a well-organized and planned mission to ensure a broad scan of Stakeholders’ views during the time allocated to the mission.

**Interviews:** Stakeholders were interviewed (*see Annex 6*). The semi-structured interviews were conducted using the interview guide and adapted to each interview. All interviews were conducted in person with some follow up using emails if needed. Confidentiality was guaranteed to the interviewees and the findings were incorporated in the final report.

**Field Visit:** As per the TOR, field visits were conducted during the mission of the Evaluator in Hungary; it ensured that the Evaluator had direct primary sources of information from the field and project end-users.

**Achievement Rating:** The Evaluator rated the project achievements according to the GEF project review; using the ratings as Highly Satisfactory (HS), Satisfactory (S), Marginally Satisfactory (MS), Marginally Unsatisfactory (MU), Unsatisfactory (U) and Not Applicable (NA).

### 3.4. Evaluation Users

24. This mid-term evaluation (MTE) was initiated by UNDP as the GEF Implementing Agency for this project. The audience for this evaluation are the project management team, the members of the Project Steering Committee and the staff at the national implementing agency (LBDCA), UNDP-Bratislava and UNDP/GEF Headquarters. The findings provides these managers with complete and convincing evidence in determining the progress of the project and – based on project achievements - in providing strategy and policy options for more effectively and efficiently achieving the project’s expected results and for replicating the results. It also provides the basis for learning and accountability for managers and stakeholders.

25. The main Stakeholders of the project are the members of the project steering committee, the LBDCA, the LBDC as the local government body and its members as representatives of the national institutions and organizations. A sample of these Stakeholders was interviewed during the mission of the Evaluator in Hungary as well as UNDP, UNEP, IISD representatives and any other potential stakeholders.

26. This mid-term evaluation report will be disseminated for review to the executing and implementing agencies, and other partners. The Evaluator is fully responsible for this independent evaluation report; which may not necessarily reflect the views of LBDCA, UNDP or GEF. The circulation of the final report will be determined by UNDP.

### 3.5. Limitations and Constraints

27. The findings and conclusions contained in this report rely primarily on a desk review of project documents, a mission to Hungary and about 15 interviews with project key informants. Within the given resources allocated to this final evaluation, the independent Evaluator conducted an assessment of actual results against the set of expected results.

28. This mid-term evaluation report successfully ascertains whether the project is meeting its main objectives - as laid down in the project design document - and whether the project initiatives are, or are likely to be, sustainable after completion of the project. It also makes a number of recommendations that would be useful to reinforce the long-term sustainability of the project achievements within the available project resources. The report also collates the main lessons learned and best practices obtained during the implementation of this project which could be further taken into consideration during the development and implementation of other similar GEF projects in Hungary and elsewhere in the world.

## 4. EVALUATION FINDINGS

29. This section presents the findings of this final evaluation, which are based on a desk review of project documents and on interviews with key project informants and project staffs. As described in Section 3.3.1 they are structured around the GEF five major evaluation criteria: *Relevance*, *Effectiveness*, *Efficiency*, *Results/Impacts* and *Sustainability*.

### 4.1. Project Relevance

30. This section discusses the relevance of the project within its national and regional context; as well as against its original design.

#### **4.1.1. Development and Environment Objectives of Hungary and the Balaton Area**

31. The project is highly relevant to the development objectives of Hungary; particularly within the context of the policy development on climate change and also within the context of the development of the Lake Balaton area. It is contributing to a better understanding of the Lake Balaton ecological and socio/economic system’s vulnerability and resilience arising from multiple forces of global and local change, including land use, demographic, economic and climate change and build capacity for more effective policy making and adaptation measures in response. It is also linking these results to climate change policy-making; including a constructive dialogue about adaptation.

### ***National Climate Change Policy***

32. The government of Hungary (GOH) recently approved the Climate Change (CC) Strategy for Hungary (spring 2008) for the period 2008-2025, which includes adaptation measures and public awareness on climate change as its two main lines of actions; it was approved in parallel to the Energy Efficiency Strategy. This CC strategy was developed following some research done under the VAHAVA research project to “*Getting Prepared to (Combat) Climate Changes in Hungary*”. The Ministry of Environment and Water (MOEW) and the Academy of Sciences launched this project in June 2003; a National Steering Committee oversaw its progress and the project ended in February 2007 with the publication of the final report.

33. This research looked into the climate changes, their potential impacts and the possible responses; its main focus was on climate change adaptation. The project had two main objectives: (1) to get the Hungarian people and economy prepared to face the occurrence of the likely increased extreme weather events; and (2) to create and develop the organizational, technical, infrastructural and financial conditions that will be needed for a rapid response of people to the harmful impacts of unexpectedly occurring extreme weather events.

34. This research produced scientific data upon which the climate change strategy for Hungary was developed. The national strategy focuses on climate change mitigation with an objective of a reduction of emission by 2020 of 20% under the 1990 level; which is the same objective as the EU commitments. Within the context of implementing this climate change strategy, the government is facing two main challenges: (1) the introduction of adaptation measures into government decision-making and (2) climate change awareness and better coordination among stakeholders.

35. The government is now developing their national climate change action plan. This action plan will include mitigation and adaptation measures for a two-year period 2009-2010; which also correspond to the EU Operational Programmes cycle.

36. The Lake Balaton (LB) project was identified within the context of this climate change policy development process. It was also designed as a first step to understand the drought of 2000-2003 and its impact on the water level of the Lake Balaton, which decreased drastically. The main stakeholders knew that something needed to be done; hence the design of this project, which is contributing to the body of knowledge to better understand the Lake Balaton ecological and socio/economic system’s vulnerability and resilience arising from multiple forces of global and local change, including land use, demographic, economic and climate change.

### ***Lake Balaton Regional Development***

37. The Lake Balaton Development Council (LBDC) is the body responsible for the development of the lake Balaton resort area, which encompasses 164 municipalities and a population of about 260,000 permanent inhabitants and about 500,000 additional vacationers during the summer months. The area contributes an estimated 2.5% to the national GDP. In January 2000 the Lake Balaton Development Coordination Agency (LBDCA) – a non-profit organisation - was created by the LBDC to “*perform professional and operative duties promoting the development of the Lake Balaton area and in relation to the activities of the LBDC*”.

38. Since 2000, the region has its own independent area development plan and regulation; referred to as the Balaton Act. The current development objectives (2007-2013) are:

- Establishment of favourable environmental conditions
- Tourism: revival of the Lake Balaton tourism and the improvement of its quality
- Development of human resources
- Transport: development of the Lake Balaton sustainable transportation system
- Development of the natural and built environment

39. The LBDCA is the implementing arm of the LBDC and is focusing on the implementation of the Regional Development Strategy (2007-2013). LBDCA is managing a portfolio of projects to implement their sustainable development agenda. It includes five main projects, including the Lake Balaton project:

- Climate Impacts on Lake Ecosystems (CLIME): Impacts of climate change on lake ecosystems

funded by the EU – 490,000 euros - 2003-2005

- Sustainable Tourism Development: Decision-support mechanism for sustainable tourism development funded by EU-LIFE - 1,840,000 euros - 2003-2006
- Place-Based Rural Development Strategies: Strengthening institutional framework and capacity for regional development funded by OECD – 120,000 euros - 2003-2004
- Lake Balaton Water Quality Improvement: Feasibility for water quality improvement measures funded by JICA – 4,900,000 euros - 1997-1999 and 2001-2003
- Lake Balaton integrated Vulnerability Assessment, Early Warning and Adaptation Strategies funded by UNDP/GEF - \$985,000 – 2006-2008

Therefore, the Lake Balaton project is part of this overall sustainable development programme for the lake Balaton area.

#### **4.1.2. Needs of End-Users Beneficiaries**

40. The end-users beneficiaries of the project are the population of the LB area. This is an area that relies heavily on tourism as a primary source of livelihoods and there is a long-term tradition for communities to take part in local development. The socio-economic consequences of ecological deterioration can be severe and immediate. If the frequency of years with negative water balance indeed increase in the future - as indicated by applicable climate change scenarios - Lake Balaton and the coupled socio-economic system is expected to emerge as a highly sensitive and internationally unique indicator of vulnerability to global change. The contribution of the project is therefore, highly relevant to the risks associated with the livelihoods of the local population.

41. LBDCA is currently finalizing a survey - which has been supported by the LB project - of local leaders/opinion-makers. A sample of 184 local leaders/opinion-makers from the shoreline settlements was interviewed. It included 1/3 of Political, Administrative and NGOs leaders, 1/3 of Cultural, Religious, Academic and Medical leaders and 1/3 of Economic and Entrepreneur leaders. The objective was to assess the climate change knowledge – including the adaptation options – of these local leaders/opinion-makers within the context that under the recently approved National Climate Change Strategy, each municipality is to produce a climate change strategy/programme. The results – which will include a list of proposed adaptation measures - should be published in the weeks to come; including the publication of these results in the Regional Development Journal as a special issue on the Lake Balaton region.

42. However, it is to be noted that due to the nature and length of the project, the immediate project beneficiaries are mostly the LBDCA and a few other regional and national organizations such as the water management authority and the ministry of environmental and water. The project implementation has a strong focus on the development of tools and instruments to assess existing and emerging vulnerability to climate change and its root causes and to model alternative scenarios for an integrated watershed management approach, based on quantitative indicators and qualitative storylines. Due mostly to the short duration of the project, these tools and instruments – developed with the project resources - will be handed over to LBDCA and other organizations; there are de facto the direct main beneficiaries of the project results.

#### **4.1.3. Internal Project Concept/Design**

43. Benefiting from the experience accumulated since the start of the implementation (January 2006), the review of the project concept/design is marginally satisfactory. The project document is well detailed, the concept well described and justified and the design is logical, addressing the capacity gaps identified during the design phase. However, the timeline (30 months) planned to implement the project was way too short; additionally, the project inception took longer than expected, adding pressure on the scheduling of project activities. As a result, this ambitious timeframe may impact the long-term sustainability of project results.

44. The objective of the project is in fact a two-fold objective: (i) to better understand the Lake Balaton ecological and socio/economic system's vulnerability and resilience arising from multiple forces of global and local change; and (ii) to build capacity for more effective policy making and adaptation measures in response. The design of the project - including a set of five outcomes - has an inherent sequence of implementation. For instance, outcome 1 needed to be implemented before the project could implement any other outcomes. The capacity of the main stakeholders and the strengthening of the policy framework could



only be done after the implementation of outcome 1 that was to obtain a better understanding of the vulnerability and adaptation options for LB area. Similarly the pilot initiatives to facilitate adaptation to the impacts of climate change (outcome 4) could only be implemented once the LBDCA has more knowledge, understanding of the vulnerability and adaptation options for the area and capacity for implementing some of these adaptive measures. The nature of these five outcomes prevented the project management team to implement them in parallel; an implementation sequence (critical path) was logically embedded into the design; which should have been longer than 30 months.

45. Additionally, the implementation of outcome 4 was to be done through the strengthening of the small grant programme existing within LBDCA; therefore project activities were to be driven by the cycle/process of this small grant programme. As a result, the integration of climate change adaptation within the small grant objectives and processes has been done, proposals were received in late 2007 and the selection is now underway. However, it is only expected that a few pilot projects will have started by the end of the project; without much progress/results to show by the end of 2008.

46. The timeline proposed in the project document was way too ambitious. As a result, most project achievements may be given to LBDCA and/or other relevant organizations without comprehensive capacity development activities to support the institutionalization of these results within the relevant organizations. Some good results are being produced by the project but due to this short time frame, the long-term sustainability of these results is at risk (*see Section 4.5.1*).

47. Another weak aspect of the project design was the management arrangements to implement the project. A first reading of the MSP brief indicates that the main organizations involved in the implementation were UNDP as the implementing agency, LBDC as the national executing agency and LBDCA as the national implementing agency; a clear line of authority was visible as described in the figure 5 of the project document (page 50). However, in the front part of the project document a sentence indicates that IISD and UNEP will work closely with LBDCA as project implementation partners and that there are also members of the project steering committee and project management board.

48. This arrangement ended up with a partnership of three partners providing the necessary skill set to implement the project. Each partner received a share of the UNDP/GEF funds through two agreements: (1) IISD and LBDCA and (2) UNEP and LBDCA. As a result, the line of authority ended up as being not as sharp as a management arrangement with sub-contracted parties. LBDCA remained as the national implementing agency accountable to LBDC and UNDP but UNEP and IISD – as international project partners – were not as accountable to LBDCA as typical sub-contracted parties. They were more partners with LBDCA to implement the project, which diluted the project decision-making process, the performance monitoring and the reporting of project progress (*see also Section 4.3.5*).

## **4.2. Project Effectiveness**

49. This Section presents the findings on the effectiveness of the project in achieving its expected results; it compares the actual versus the expected results. An overview of the key results achieved by the project is presented, followed by the project contribution to capacity development, the review of any unexpected project achievements and the review of the management of risks and the mitigation measures related to the implementation of the project.

### **4.2.1. Achievements of Project Expected Outcomes**

50. The progress made by the project to achieve its expected outcomes is good it is rated as satisfactory. It was an ambitious project in “uncharted” territories (climate change adaptation) with a limited timeline to deliver the expected results. Nevertheless, the project management team has been able to deliver products and it is now time to fully transfer/institutionalize this accumulated know-how to LBDCA but also to other potential Stakeholders such as the Water Management Authority.

51. The project has a two-fold objective: to better understand the Lake Balaton ecological and socio/economic system’s vulnerability and resilience arising from multiple forces of global and local change;

and to build capacity for more effective policy making and adaptation measures in response. To address this two-fold objective, five outcomes were identified; there are:

- Strengthen ecological and socio/economic resilience by **increased understanding** of lake and watershed processes viewed through the lens of vulnerability and adaptation.
- **Strengthen capacity** for formulating and implementing adaptive strategies compatible with sustainable development.
- Strengthen the **policy framework** conducive to adaptive management with particular interest to institutional mechanisms and economic incentives and disincentives.
- Facilitate adaptation to the impacts of climate change through **direct action** in the form of pilot initiatives funded through LBDC's existing small grants facility and innovative financing mechanisms.
- Enhance **public and policymaker awareness** of integrated vulnerability and adaptation approaches locally, nationally and internationally, including contribution to the GEF's project on the Adaptation Learning Mechanisms.

52. In order to achieve these expected results, the project has a strong scientific and technical background. Project activities are based on internationally recognized approaches such as the Integrated Water Resources Management (IWRM) and adaptation strategies identified at the 3<sup>rd</sup> World Water Forum (Japan – March 2003). It uses the USDA Agricultural Research Service supported Soil, Water Assessment Tool (SWAT) model/methodology to develop the Lake Balaton basin/watershed model. The vulnerability assessment borrowed the EIA methodology underlying the Global Environment Outlook (GEO) developed by UNEP. The climate modelling for forward-looking analysis was built on the results of the global IPCC Special Report in emissions scenarios. An engagement and influencing strategy was developed on the basis of a strategy template developed by IISD. The project was also supposed to closely follow the guiding principles outlined in the UNDP/GEF guidebook "*Adaptation Policy Frameworks for Climate Change: developing strategies, policies and measures*"; including its key five phase components (*MSP brief – page 31*)<sup>1</sup>. These guiding principles were not used as the main methodology to implement the project; but most of the project achievements are fitting into this approach. A greater use of this methodology would have provided a stronger framework to formulate an adaptation strategy for the Lake Balaton region.

53. The main focus of project activities since the start of the project has been on understanding the Lake Balaton ecological and socio/economic system's vulnerability and resilience arising from multiple forces of global and local changes. It is only now that the project is in a strong position to strengthen the policy framework and the capacity for formulating and implementing adaptive strategies. The key project results so far are:

#### ***Development of an Internet Map Server (IMS) for the Lake Balaton region***

54. This instrument was developed by UNEP-GRID-Europe. It necessitated the collection of all data necessary to the implementation of the project. The two main providers of data have been the Lake Balaton Regional Development and Coordination Agency (LBDC) for Regional data, and UNEP/DEWA/GRID-Europe for publicly available datasets. After a difficult process to select and obtain the required geo-datasets, these were organized into an ArcGIS database. This geo-database could then be easily translated into an Internet Map Server (ArcIMS) that allows the end users - through some customization - to visualize the geo-data as well as its metadata, and also to download them. A specific web interface has also been developed to edit metadata. This work represents the base element of the project to assess Lake Balaton integrated vulnerability, early warning and adaptation strategies. The data gathered was also used in other activities such as the development of indicators and to feed data to the SWAT instrument to model the watershed hydrology. It is now hosted on an UNEP web server until a local custodian is identified.

#### ***Prepare Climate and Land Cover Change Scenarios for the Lake Balaton watershed***

55. The development process included a review of the IPCC, GEO and EURURALIS scenarios and how they converge towards four different future scenarios named: BalaHot, BalaPol, BalaLone, BalaCool. UNEP-GRID used existing data from different European project to create these regional scenarios. For land cover change, they explored the use of the outputs from EURURALIS that created scenarios for Europe in 2010, 2020, and 2030 at a 1km resolution taking into account global, European and national political and

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<sup>1</sup> [http://www.undp.org/gef/adaptation/climate\\_change/APF.htm](http://www.undp.org/gef/adaptation/climate_change/APF.htm)

economical situation. They also extrapolated extreme land cover changes from the CORINE LAND COVER 2000 dataset at a 100m resolution. Both methodologies were tested later for their impact on Lake Balaton hydrology. For climate change, they used the outputs from the PRUDENCE project that created - based on global scenarios - regional climatic models at the European scale at a 50 km resolution. They extracted the 7 points closest to the Lake Balaton to explore the expected changes between the control period (1961-1990) and the scenarios (2071-2100). The Delta method was used then to derive expected climate change in 2030 to match the timeframe used for land cover changes.

56. Both outputs from climate and land cover changes scenarios served as inputs in the hydrological model SWAT. This approach will allow the exploration of the hydrological future of Lake Balaton and favour the discussion among stakeholders in the region to help them make better informed decisions. In order to pursue this effort, local authorities need to find a solution to implement these tools and datasets into their working framework. These tools will also offer great opportunities to raise public awareness on the potential impacts of climate changes. These combined efforts are intended to encourage people from the Balaton region to clearly identify potential adaptation measures as soon as possible in order to avoid bad surprises. It is well recognized now that the cost of waiting will probably be much higher than the cost of reacting early.

#### ***Customization of the SWAT instrument to the Lake Balaton watershed***

57. The SWAT (Soil and Water Assessment Tool) model is a continuation of nearly 30 years of modeling efforts conducted by the U.S. Department of Agriculture (USDA), Agricultural Research Service. The SWAT instrument has gained international acceptance as a robust interdisciplinary watershed modeling tool. It has proven to be an effective tool for assessing water resource and non-point pollution problems for a wide range of scales and environmental conditions across the globe. It is a basin-scale, continuous-time model that operates on a daily time step and is designed to predict the impact of management on water, sediment, and agricultural chemical yields in non-monitored watersheds. Major model components include weather, hydrology, soil temperature, plant growth, nutrients, pesticides, and land management. It is using the data sets developed for the Lake Balaton region under the previous two initiatives presented above. It allows the users to conduct simulation/scenarios in the future to help the decision-making process. The main weakness is the lack of water quality measures and other dataset over a longer period.

#### ***Development of an Indicator System for the Lake Balaton Region***

58. As a key part of the Lake Balaton Integrated Vulnerability Assessment, Early Warning and Adaptation Strategies project, there was a need to address the following questions:

- What is happening to the environment and socio-economic system in the Lake Balaton region?
- What are the main forces of change?
- How do global and local forces of change combine to contribute to the region's vulnerability?

59. To answer these questions, the project (IISD) developed a new system of quantitative indicators (about 23 indicators) that use existing data to describe trends that reflect the sustainable development priorities of both the expert community and key stakeholders in the region. The methodology to develop this indicator system included: participation of local experts and members of the civil society, use of precedents (literature review), indicator selection criteria, selection of issues, identification of a conceptual framework, collect and process data and analyze the indicators to assess how well they adequately provide information to the system. In order to give a greater access to these indicators and data, the collected data and the analysis results were put into a database called BalatonTrend (*see below*).

#### ***Development of an web-based information tool "Balaton Trend"***

60. BalatonTrend is a web-based information tool aiming at facilitating informed social dialogue about the region's future by bringing the facts together on key socio-economic and ecological trends. The information aims to help answer the following questions:

- What is the state of the region in light of key trends over time?
- What causes or contributes to these trends?
- How should society, on all levels, respond to move towards a sustainable future?

61. Data is provided both on a regional and community level, where applicable. The indicators can be accessed by clicking on the respective community icon or on the full region icon; then by selecting the indicator of interest. Each indicator sheet provides summary information, in plain language, about the

following: how is the indicator defined; what is happening in the particular location with regard to the indicator; how is society responding; what could be anticipated in the future; and what indicator provides additional information. For most indicators both a time series chart and a related data table is shown, and in a few cases maps or times series maps. For selected indicators a short video commentary is posted where local experts and stakeholders explain in their own words the significance of the issue and trend. Where data for multiple locations is available, a comparative chart can be constructed.

### ***Mainstreaming the climate change adaptation measures throughout LBDCA strategies and programmes***

62. Since the start of the implementation of the project, LBDCA is mainstreaming vulnerability assessment and adaptation measures into its management instruments such as the Balaton Regional Development Strategy process and its small grant scheme. The process for the latter was reviewed before the last call for proposals was made public in 2007. Adaptation measures are now part of the eligibility criteria; there are also part of the list of possible projects to be funded; and the evaluation grid for the selection of the submitted bids now includes some points (score) for climate change adaptation. LBDCA is now planning the next cycle of this small grant scheme 2009-2010 and will review and strengthen the guidelines and parameters (eligibility, types of project, conditions, etc.) for this next cycle during the fall 2008; which is another opportunity for the project to institutionalize some project results.

63. LBDCA is also negotiating with Norway to obtain a grant to support environmental activities of NGOs in the Lake Balaton area through a similar small grant scheme. This Norwegian grant will focus on two areas: improving the quality of the environment and eliminating the illegal waste sites. The guidelines for potential NGOs to access these funds will include the compliance with climate change adaptation criteria. All projects to be funded under this programme will comply with a set of identified climate change adaptation criteria. As per the regular small grant scheme, there is an opportunity for the project to mainstream some of the project results into this new programme.

64. These tools/instruments provide the Lake Balaton region with effective instruments to assess the vulnerability of the region to climate change and analyze future scenarios. In addition to these specific outputs, the project supported few stakeholder workshops related to the development of particular products such as the indicator system to collect information and also to test some hypothesis, models and products. The project also supported/participated to some conferences to disseminate the project results and finally made the information available through web sites and few publications. A list of the major project outputs and their respective completion rate as of June 2008 was completed by the project management team and is presented in the table 2 next page.

65. However, despite this good list of project results, they remain tools/instruments to be used by organizations and people to assess and implement adaptation measures at the local, regional, national and international levels; the “*overall ability of a system to perform and sustain itself*” is not complete yet - more capacity development is needed. The project provided tools and instruments to better understand the vulnerability and the adaptation options for the Lake Balaton area (mostly outcome 1). Along the development of these tools and instruments, some capacity was developed through on-the-job training, workshops and training seminars (outcome 2). The small grant scheme of LBDCA was reviewed and will be reviewed further in the fall 2008 to integrate better climate change adaptation measures (outcome 4). Finally some of the knowledge generated by the project was already disseminated through conferences, publications and through the respective networks of the project partners (outcome 5).

66. Initial work has started in the policy area (outcome 3) but more remained to be done. This should be the main focus for the remaining period of the project (6 months). The key strategic element for this remaining period should be institutionalization of project results. Several opportunities exist to mainstream some project results such as the overall approach to assess vulnerability and identify adaptation measures to be incorporated into the current development of the National Climate Change Adaptation Action Plan and the institutionalization of the SWAT instrument within the Water Management Authority. It is a typical business case of 80/20 where 80% of the work has been done but only 20% of the outcomes are achieved. Considering the current status and the willingness of the project team to make this project a success, the next few months should see a dramatic increase of development achievements through the institutionalization of the project results within LBDCA but also with other relevant stakeholders.

**Table 2: List of Lake Balaton Project Outputs**

BALATON PROJECT OUTPUTS				
REPORTS	title	Lead	Date	done
report 1	Conceptual framework and indicators	IISD	2006	100%
report 1'	Indicator systems review	GRID	2006	100%
report 2	Influencing strategy meeting report	IISD	2006	100%
report 3	Indicator status and trend report	IISD	2008	100%
report 4	IMS report: Internet Map Server and Metadata	GRID	2008	100%
report 5	Model report on climate and land cover scenarios	GRID	2008	100%
report 6	SWAT report: Soil and Water Assessment Tool	GRID	2008	50%
report 7	Scenarios for Balaton region	IISD	2008	50%
report 8	Stakeholder priorities on adaptation	IISD	2008	100%
report 9	Modeling Lake water Quantity and Quality	LBDCA	2008	50%
report 10	National Policy Action Plan and Adaptation plan	IISD	2008	5%
report 11	Final synthesis report	LBDCA	2008	0%
report 12	Executive summary	LBDCA	2008	0%
<b>WEB</b>				
WEB1	PROJECT INTERNET SITE: <a href="http://www.chrome.hu/bft/bam">http://www.chrome.hu/bft/bam</a>	LBDCA	2006	50%
WEB2	IMS: Internet Map Server: <a href="http://balaton.grid.unep.ch/ims/">http://balaton.grid.unep.ch/ims/</a>	GRID	2007	100%
WEB3	METADATA: <a href="http://212.203.125.170/Balat/dev/edt/">http://212.203.125.170/Balat/dev/edt/</a> HUUser:metaHU06	GRID	2007	100%
WEB3'	SWAT: <a href="http://balaton.grid.unep.ch/swat/">http://balaton.grid.unep.ch/swat/</a>	GRID	2008	100%
WEB4	DATA WAREHOUSE: <a href="http://balaton.grid.unep.ch/ziped/">http://balaton.grid.unep.ch/ziped/</a> balgroup:baldata	GRID	2008	100%
WEB5	BALATONTREND: <a href="http://test.balatontrend.org/">http://test.balatontrend.org/</a>	IISD	2008	70%
WEB6	project page on IISD website: <a href="http://www.iisd.org/measure/knowledge/national/balaton.asp">http://www.iisd.org/measure/knowledge/national/balaton.asp</a>	IISD	2007	100%
WEB7	project page on GRID website: <a href="http://www.grid.unep.ch/activities/sustainable/balaton/index.php">http://www.grid.unep.ch/activities/sustainable/balaton/index.php</a>	GRID	2007	100%
<b>WORKSHOPS</b>				
workshop1	Conceptual framework development	IISD	2006	100%
workshop2	Indicator System Development (5 workshops)	IISD	2006-07	100%
workshop3	Local Adaptation Priorities (4 workshops)	IISD	2007	100%
workshop4	Scenarios for Balaton Region	IISD	2008	100%
<b>COURSE</b>				
Course1	SWAT step by step course	GRID	2008	100%
<b>PUBLICATIONS</b>				
pub1	Synthetic book in Hungarian	Ana Vary +	2009	0%
pub2	Scientific papers	ALL	2009	
<b>CONFERENCES</b>				
conf1	Balaton Group (Csopak)	IISD	2006	100%
conf2	Keszthelyi Polgari Egyesulet (Keszthely)	IISD	2006	100%
conf3	Balaton Group (Balatonszemes)	IISD	2007	100%
conf4	LEAD International (Balatonszemes)	IISD & LBDCA	2007	100%
conf5	Partners for Climate Change (Siofok)	LBDCA & GRID	2007	100%
conf6	Keynote speaker at Sustainable Development in Regions in Prague	GRID	2007	100%
conf7	Poster at ESRI user conference in Paris	GRID	2007	100%
conf8	Participation to SWAT user conference in Delft	GRID	2007	100%
conf9	OECD, visualizing statistical data (Stockholm)	IISD	2008	100%
conf10	Project final conference	ALL	2008	0%

#### 4.2.2. Contribution to Capacity Development

67. The project contributes to the development of local capacity. It is part of the design of this project with an overall development objective that is “to build capacity and generate knowledge for increased understanding of the adaptability and vulnerability of human and natural systems on the example of the Lake Balaton and improve preparedness for climate change and enhance adaptive capacity elsewhere through lessons learned and dissemination”. Among the five expected outcome, outcome 2 is to “strengthen capacity for formulating and implementing adaptive strategies compatible with sustainable development”. However, the project achievements in this area are rated only as marginally satisfactory. The project did not conduct any capacity assessment to define what are the required capacities, what are the capacity gaps and how the project would strengthen the existing capacity in climate change adaptation. Capacity development has been interpreted mostly as the training component of the project with a transfer of knowledge to the relevant audiences.

68. However, capacity development is a lot more than training people. A review of the literature on capacity development indicates that capacity development encompasses not only the acquisition of skills and knowledge for individuals, but also the improvements of institutional structures, mechanisms and procedures and finally the strengthening of an enabling environment with adequate policies and Laws. It is now well recognized that capacity is the sum of a series of conditions, intangible assets and relationships that are part of an organisation or system and that are distributed at various levels<sup>2</sup>:

<sup>2</sup> See the study on “Capacity, Change and Performance” conducted by the European Center for Development Policy Management (ECDPM); which explored the notion of capacity and capacity development (<http://www.ecdpm.org/>).

- Individuals have personal abilities and attributes or competencies that contribute to the performance of the system;
- Organisations and broader systems have a broad range of collective attributes, skills, abilities and expertise called capabilities which can be both 'technical' (e.g. policy analysis, marine resource assessment, financial resource management) and 'social-relational' (e.g. mobilising and engaging actors to collaborate towards a shared purpose across organisational boundaries, creating collective meaning and identity, managing the tensions between collaboration and competition);
- Capacity refers to the overall ability of a system to perform and sustain itself.

69. The original approach for capacity development described in the project document included a capacity development strategy under output 2.1 and the “*Capacity development strategy developed*” was the indicator for this output. However, due to the project scope and duration (short) – not enough time to develop a CD strategy and implement it during the project lifetime – the measurement of the capacity being developed by the project was replaced at inception by two practical indicators: The outcome indicator (1) “*Regional Development Council and other relevant institutions adopt and employ adaptation and vulnerability indicator framework for socio-economic development planning*” was kept; and a second outcome indicator was added as (2) “*LBDC integrates adaptation in the organisational structure and mandate*” (this includes a concrete target of modified mandate and defined tasks in job descriptions that would ensure dedicated personnel supporting adaptation priorities for the LBDC in the Balaton region).

70. This weak focus on local capacity development - which could be defined as the “*overall ability of a system to perform and sustain itself*” - prevented the project to have a more holistic developmental approach; whereby the project’s main focus would have been the strengthening of the capacity of local stakeholders in understanding better the vulnerability and adaptation options; increasing the capacity of these stakeholders to implement adaptation measures; and developing a more conducive policy framework for the implementation of climate change adaptation measures. As a result, the current approach runs the risk that effective tools and instruments will be developed but they may not be sustainable in the long-term if the local capacity to use these tools and instruments is not strong enough at project end.

#### **4.2.3. Unexpected Project Achievements**

71. As described in Section 4.2.1 above, the project has been delivering project results that was expected and described in the project document. A series of tools and instruments are currently being finalized and they will be institutionalized in the months to come. At this point, there are not really any unexpected achievements worth noting. All project activities underway and project outputs were planned in the project document and they are all geared toward the achievements of the five expected outcomes as identified in the log-frame.

#### **4.2.4. Risk and Assumptions / Risk Mitigation Management**

72. The management of risks and their mitigation measures is rated as marginally satisfactory. An initial list of risks was identified in the project document, including the degree of each risk (low, medium and high) and the measure in place throughout the design of the project to mitigate each risk; there were:

**Table 3: List of Project Risks**

Type of risk	Risk	Degree	Risk management
<b>Political</b>	Changing government priorities or approach to the Lake Balaton region	Low	Government representative(s) on steering committee, regular updates for key Ministries
	Changing legislative framework due to EU accession	Medium	Integration of EU Water Directive, monitoring of policy changes
	Weak stakeholder interest in participation	Low	Early establishment of stakeholder group, engagement strategy
<b>Financial</b>	Uncertainty related to funding commitments	Low	Securing early and formal commitment, close cooperation with key donors, diversify funding sources
<b>Scientific</b>	Unavailability of high quality data	Medium	Multiple data sources, gap filling, extrapolation from existing data sets, use of

Type of risk	Risk	Degree	Risk management
	Inaccuracy or inconsistency of models and scenarios	Medium	relevant proxy measures Peer review, verification of results across a range of projections, stakeholder involvement in consistency analysis

73. As part of the regular monitoring of the project, the project management team reviewed these risks once a year through the Project Implementation Review (PIR) process. In the June 2007 PIR, it was reported that the initially low political risk of a changing government priorities or approach to the Lake Balaton region was now critical; due to macroeconomic instability in Hungary and the potential for corrective measures, which could impact the undertaking of pilot adaptation initiatives under the small grant programme of LBDCA. This risk was also discussed during the inception workshop in April 2006. As of July 2008, this risk has been contained. LBDCA has a viable small grant programme funded by the EU and should also expand this programme with additional funds from Norway. A call for proposals was made public in 2007; proposals were received by LBDCA and the selection process is currently underway.

74. As noted in the first PIR, the scientific risk of unavailability of high quality data rated medium in the project document (see above) affected the implementation of the project. An assumption was made during the design phase that the project would use technical inputs from other related projects and programmes; such as:

- KÉP project on sustainable development indicators: the objectives were to identify a core indicator set and to produce time-series data for the Lake Balaton region. The project was not completed due to funding cuts;
- VAHAVA project: its outputs were rather general and qualitative and thus had less than expected usefulness in the analytic phase of the Lake Balaton project;
- CLIME project: its results were useful but not directly applicable since the watershed model generally applied to most of the lakes in the study was not accepted for Lake Balaton, given the lake's special characteristics.

75. These changes (data and model) affected the implementation of the Lake Balaton project. This data unavailability and alternatives were discussed at the inception workshop. It was decided that the project should embark in the development of a set of sustainable development indicators using the KEP experience. It was also decided that the Lake Balaton project would implement the internationally accepted SWAT methodology as an integrated watershed management model to analyze the effects of alternative adaptation options on the watershed and lake ecosystems. As a result of these changes, more time and resources would be needed to develop the required database and the integrated watershed management model.

76. Finally, the analysis of risk do not include any management risk such as the tight schedule and the need for a strong monitoring to coordinate the three partners geographically dispersed in three parts of the world (Hungary, Switzerland and Canada). Considering the tasks to be implemented under the five outcomes and a relatively short timeframe, there was a management risk that if something goes wrong, most project activities will be affected and almost inevitably the overall achievements of the project would also be affected. It is a case where "no hiccups" are allowed; the critical path for the implementation of the project was too tight. Achieving the set of expected results within a period of 30 months was ambitious and did not leave enough time to build the necessary capacities of the recipient organizations such as the LBDCA and the Water Management Authority; and to ensure a good institutionalization and the long-term sustainability of the results.

### 4.3. Project Efficiency

77. This Section presents the findings on the efficiency of the project in utilizing/mobilizing its resources. It reviews the overall management approach and the use of adaptive management, the financial management and its financial status, the technical assistance, the delivery mechanisms, the stakeholders' participation and the monitoring approach to measure the progress of the project.

### **4.3.1. Project Management Approach and Tools / Adaptive Management**

78. The management of the project is satisfactory. When needed the project management team applies an adaptive management approach to secure project outcomes while maintaining adherence to the overall project design. The project document and particularly the results-based log-frame have been used to guide the implementation of the project and to track its achievements. The project has been implemented using a Results-Based Management (RBM) approach; the progress reporting has been focusing on the progress made to achieve the set of expected results using a set of results-based indicators.

79. The management procedures to procure the project assets and equipment and to recruit short-term consultants followed the existing UNDP rules and procedures to be applied to project using the NEX mode. All project transactions were promptly recorded and properly classified; showing good internal controls mechanisms to manage and control project resources. Financial resources were also used prudently and overall the project has been cost-effective. An amount of USD 103,000 has been used for procuring project assets, which have been audited in December 2007. The list includes some equipment, computers, software, water quality sensors, GPRS and data such as a soil database.

80. The progress of the project has been monitored regularly; as described in Section 4.3.8. Quarterly and ad-hoc meetings have been held among the three project partners and UNDP. One annual review was conducted in 2007 with one Project Implementation Review (PIR) report produced as of end of June 2007 and one Tripartite Review report produced in November 2007. A tripartite review meeting (LBDC, LBDCA and UNDP) took place in November 2007 to review the project progress for the period 2006 and 2007. A review of all these management reports indicates that the delay in “producing” certain outputs such as the outputs expected under outcome 1 has been flagged early in the implementation. For instance, this issue was discussed at the project management board meeting of December 6-8, 2006. At this meeting it was also discussed that all outcomes were linked to each other with a sequence such as outcome 2 cannot be completed before outcome 1 is completed, etc..

81. Nevertheless, despite regular management meetings and reviews, no clear management actions had been fundamentally taken to address this issue. It seems that the project management team recognized early the problem and tried to address the delay by re-planning the work to be done in a tighter schedule. However, the implementation continued to be behind schedule and with only 6 months of implementation before the project end, there is a risk that the project achievements may not be properly institutionalized within the relevant institutions; including the LBDCA, limiting the potential for the long-term sustainability of these achievements.

### **4.3.2. Financial Planning and Management**

82. The accounting and financial system used by the project management team is rated as satisfactory. The project has been executed using the NEX modality. Advance payments have been made by UNDP to the LBDCA and justified with proper financial documentation once the money was expended. Request for direct payments (when needed) were approved and processed by UNDP and recorded in the corporate UNDP ERP system.

83. The project uses the UN ATLAS system as its accounting and financial system. It produces accurate and timely financial information for the project team. The system was set-up by Activity (which can be aggregated at the outcome level (5)) and each Activity was sub-divided into line items such as local consultant fees, travel tickets, printing and publications, utilities, etc.

84. Based on the information reviewed by the Evaluator, as of the end of March 2008, 74% of the original budget has been spent (USD 729,326 out of 985,000) versus 90% of the time elapsed (27 months out of 30). The breakdown of the project expenditures as of March 31, 2008 is presented in the table below.



**Table 4: UNDP/GEF Fund Disbursement Status<sup>(\*)</sup>**

Item	FY 2006	FY 2007	FY 2008	Total	% of Total	Budget	% Spent
Outcome 1	280,837	81,389	8,947	\$371,173	51%	\$355,000	105%
Outcome 2	43,656	44,132	9,000	96,788	13	130,000	74
Outcome 3	22,142	10,763	8,413	41,318	6	80,000	52
Outcome 4	5,961	3,042	2,806	11,809	2	25,000	47
Outcome 5	30,990	30,426	7,123	68,539	9	165,000	42
Mgmt	73,344	57,283	8,972	139,699	19	230,000	61
Total	457,030	227,035	45,261	\$729,326	100%	\$985,000	74%

(\*) Source: Data obtained from LBDCA

85. The disbursement figures presented above do not include an amount of USD 70,000, which is managed directly by UNDP for direct payments; including the cost of the planned evaluations (mid-term and final) and other expenditures. From these figures above, IISD and UNEP expenditures are about 37% (USD 269,000) of the total expenditures (USD 729,326) expended as of March 31, 2008.

86. These figures confirm the focus of the project on outcome 1 and the impact of the delay in delivering the project outputs under this outcome - which delayed the implementation of other outcomes. As per the Project Manager, despite a lower level of disbursement than the time elapsed (74% versus 90%), 100% of the budget UNDP/GEF (USD 985,000) should be spent by December 31, 2008.

87. The project has been audited in 2007; covering the full year 2007. The auditor's report stated that the financial schedules of the project presented fairly the expenditures of the project – including the cash position; in accordance with the accounting instructions of UNDP. The audit also reviewed the statement of assets and equipment (procurement); it was said to be adhering to UNDP procedures.

#### 4.3.3. Fund Leveraging / Co-financing

88. The capacity of the project to leverage funds to co-finance project activities is rated as satisfactory. The total amount of co-financing pledged at the design stage was USD 3,090,000 to which an additional USD 500,000 was pledge later by LBDCA as a result of the completion of the LIFE Balaton project in the form of the Balaton Information System (<http://bir.webeve.hu>). This system was further developed and tailored for this project. The system monitors water quality and quantity, meteorological conditions, traffic and tourism data and was expanded to include monitoring additional water quality parameters such as Chl-A and dissolved oxygen; integrated water level measurements; and hydro-meteorological parameters. These pledges were supported by co-financing letters from the project partners.

89. It is reported in the PIR-2007 that USD 540,000 of co-financing was actually disbursed by the partners at the end of June 2007. The table below indicates the breakdown of this co-financing (*see also Annex 7 for further information*):

**Table 5: Co-financing from Project Partners<sup>(\*)</sup>**

Partner	Commitments (US\$)	Actual <sup>(*)</sup> (US\$)	% Spent
LBDC	3,000,000	0	0%
LBDCA		500,000	n/a
UNEP	50,000	25,000	50
IISD	40,000	15,000	38
Total (US\$)	\$3,090,000	\$540,000	17%

(\*) Source: Project Document, UNDP-PIR 2007 (As of the end of June 2007) and updates from LBDCA.

90. The main co-financing contributor for this project was to be the LBDC as the national executing agency (USD 3M). This rather large contribution was to be a government contribution to pilot initiatives (outcome 4) through the LBDC allocating annually about USD 3M of its grant-aid distribution scheme (out of a total of about USD 4.5M) toward the implementation of adaptation pilot projects. This allocation was confirmed in a letter from the Chairman of the LBDC to UNDP (March 1, 2005), providing that the project “provide the essential interdisciplinary scientific and policy insight that is needed to start reorienting and making the grant-aid scheme more forward looking and compatible with adaptation to global change and sustainable development”.

91. As of June 2007, no amount was reported as disbursed by LBDC (*see Table above*) and only USD 0.3M is currently expected from LBDC due to budget constraints in the last two years as a result of the economic crisis in Hungary. Nevertheless, under a new grant programme funded by Norway a first call for proposals was made public in 2007. Project proposals were received by LBDCA and the selection process is underway (July 2008). It is expected that by the end of the project (December 2008), projects will have been selected and the amount earmarked to climate change adaptation projects identified – currently estimated at about USD 2.7M.

92. As for the co-financing from the two project partners: UNEP and IISD, it is expected that their co-financing will be mostly in-kind contributions through staff time and for IISD the use of interns for project activities such as GIS database development and field activities in the Lake Balaton area.

93. Despite that the government co-financing (USD 3M) did not materialize, an alternative was found and the expected total amount of co-financing should equal the amounts pledged at the design stage. As of the date of this review, the total amount of co-financing is expected to be USD 3.09M. Moreover, the process to change the granting scheme has started. Climate change adaptation is now part of the eligible projects to be funded by this small-grant scheme and discussions between the LBDC/LBDCA, Norway and Switzerland are underway to access funds supporting environmental activities conducted by NGOs. All projects submitted will have to meet and comply with adaptation criteria.

#### **4.3.4. Quality of Technical Assistance / Use of National Capacity**

94. The quality of technical assistance implementing the project is excellent but the development of national and local capacity is marginally satisfactory. Through the international partners (IISD and UNEP), the project has access to a high quality broad range of skills and knowledge; however coupled with a not well-defined capacity development strategy, the project has not been transferring much know-how so far. Most of the skills and knowledge still reside within each partner organization.

95. As discussed in other Sections, the project spent a longer time and more resources to develop the expected tools and instruments. These results are about to be completed in the summer 2008; the project management team is now challenged with this transfer of this know-how to LBDCA and other relevant organizations. There is a good opportunity to build local skills and knowledge during the coming months; using few channels such as workshops, seminars and direct collaboration with relevant organizations such as the water management authority.

96. One particular point to note is that the project manager is not remunerated by the project. The project manager is the Executive Director of LBDCA; he is in charge of coordinating the implementation of the project as part of his regular duties to manage LBDCA. The Lake Balaton project work plan is fully integrated within LBDCA work plan; which is an advantage from a long-term sustainability perspective. After the project end, the LBDCA will continue to carry out its duties benefiting from the skills and knowledge acquired under the project activities.

#### **4.3.5. Project Delivery Mechanisms / Partnerships**

97. The project delivery mechanisms are satisfactory. There are clearly defined in the project document. The project is implemented under the NEX UNDP mode (National Execution). UNDP is the implementing agency, LBDC the national executing agency and LBDCA the national implementation agency. The latter is responsible to carry out project activities converting project inputs into project outputs. LBDCA is

accountable to UNDP Bratislava for the quality, timeliness and effectiveness of the implementation of the project. As per the project document (page 50), a clear line of authority is visible.

98. In addition to these partners, the project document indicates that IISD and UNEP will work closely with LBDCA as project implementation partners and that there are also members of the project steering committee and project management board. This partnership was formalized through two agreements. LBDCA signed a “*Contract for Partnership*” with UNEP-DEWA-GRID and signed a “*Contract for Consultancy*” with IISD. These agreements define the partnerships among these organizations to collaborate on the UNDP/GEF Lake Balaton project. Based on the responsibilities for each partners, a verbal agreement at the time split the UNDP/GEF budget into 20% for administration by LBDCA, 40% for activities to be implemented by LBDCA and 40% for activities to be implemented by project partners. The services and the project resources are mobilized through quarterly partnership/consultancy schedules (QPS and QCS), which are issued quarterly by the partners. These schedules lay out the work plan for the coming quarter and the associated costs to conduct these project activities. At the end of the quarter, the partners send a progress report to LBDCA indicating the progress made during the quarter, accompanied with an invoice. LBDCA reviewed the progress and pay the partners accordingly.

99. These partnerships are the result of a multi-year cooperation between LBDCA, UNEP and IISD. These same partners designed the project and they continued their partnership through the implementation of the project. IISD and UNEP are bringing their international expertise and methodology such as the EIA methodology underlying the Global Environment Outlook (GEO) for vulnerability assessment. However, through the implementation of the project, the line of authority ended up as being not as sharp as a management arrangement with sub-contracted parties. LBDCA remained as the national implementing agency accountable to LBDC and UNDP and UNEP and IISD – as international project partners – are directly accountable to LBDCA. However, the partner status established a different accountability framework with LBDCA than typical sub-contracted parties. They were more equal partners with LBDCA to implement the project, which diluted the project decision-making process, the performance monitoring and the reporting of project progress. As a result, despite the recognition that the project was falling behind schedule (*see tripartite review report – November 14, 2007*), the management capacity to react and adapt project activities to a revised schedule was slow.

#### **4.3.6. Roles, Capacity and Efficiency of UNDP-CO**

100. The efficiency of the UNDP-RBEC Regional Support Centre (based in Bratislava – as the GEF implementing agency of the project - to support the implementation of the project is rated as satisfactory. It provides the necessary project management support to the project team to ensure an efficient use of the GEF financial resources; a progress reporting system through the PIR process reflecting the progress made but also the identification of potential issues to be dealt with; and the efficient use of the UNDP procedures such as procurement, hiring and contracting procedures.

101. The capacity of UNDP to provide project management support/advice is a comparative advantage in delivering this type of project. It provides good project management guidelines to this type of projects for an efficient use of project resources and also it focuses the project management team on long-term developmental results. The sharing of project control with LBDCA provides a good level of flexibility - controlled within the UNDP national execution guidelines - which in turn results in a cost-effective project management responding to critical needs to implement the projects. It also provides a global link to access international experiences and resources, which are beneficial to the project when well chosen.

#### **4.3.7. Country Ownership / Stakeholder Participation**

102. The stakeholder participation and the country ownership of the project are marginally satisfactory. Stakeholders participated to project activities but most project activities are too much driven by the project partners; as a result, the country ownership is not what it should be. Ultimately, as the national implementing agency, LBDCA is and will be the custodian of all project results; however, the tools /instruments developed by IISD and UNEP may end up being transferred without an adequate development of capacity and only within LBDCA. There is only six months left and much to do to “sell” these tools/instruments to other relevant organizations for them to “buy-in”.

103. However, the tools and instruments developed under this project were done with a good stakeholder involvement. Stakeholders were consulted at each step of the way to provide inputs to the process. It is the case with the development of a set of sustainable development indicators, the development of scenarios and the development of an integrated watershed management model based on the SWAT methodology. Information was also disseminated to the public such as the Conference on “*Ecological Problems of our Days – From Global to Local*” co-organized by LBDCA at Keszthely in November 2006 for regional, national and international audience.

104. Within this context of country ownership and the participation of stakeholders, it is important to note that the project concept was the result of a multi-year cooperation between LBDCA, UNEP and IISD. The project was born out of this partnership and not from a stakeholder driven process. Stakeholders were consulted along the way but their participation were limited to being consulted as opposed to partnering with the leading organizations to develop and own the project design.

105. This weak stakeholder participation and ownership is also reinforced by the fact that the project is only supported by LBDC and its agency LBDCA in Hungary. As the regional development council and agency, it is the “right” place to be. However, other stronger “connections” would have been beneficial for the project; particularly to give the project a more national perspective. The Ministry of Environment and Water could have been more involved in the process as the national ministry dealing with climate change strategies; the same is true for the Water Management Authority that is in charge of managing water including the Lake Balaton area and possibly other ministries and agencies. As a result, a stronger involvement of Hungarian institutions would have increased the national ownership and “connect” the project with more existing processes; increasing its *raison d’etre* (purpose) and the expectations from Stakeholders.

106. Having the products now, the project should focus more on this kind of connections during the remaining period of project implementation. There are opportunities to continue to strengthen the LBDCA processes such as the mainstreaming of climate change adaptation measures within the small grant programme but also to work with the Ministry of Environment and Water to incorporate some of the project findings into the climate change adaptation action plan 2007-2009 and to work with the Water Management Authority to transfer the know-how accumulated around the SWAT model to manage watersheds. This remaining period is an opportunity for the project to increase this national ownership.

#### **4.3.8. Monitoring Approach and Progress Reporting**

107. The monitoring of the project and the progress reporting was done according to UNDP and GEF procedures; it is rated as satisfactory. A comprehensive monitoring and evaluation plan was part of the MSP brief, detailing the responsibilities and the monitoring and reporting process. A summary of the monitoring process is presented below:

- An inception workshop was organized in April 2006 to review and endorsed the project design as well as the performance indicators. Few changes were made to the indicators;
- Day-to-day monitoring is the responsibility of the project manager in close collaboration with the UNDP-CO. Based on the annual work plans, any delay or difficulty is reviewed timely and corrective measures are adopted if needed;
- Progress is reviewed quarterly through quarterly meetings of the project partners and possible adaptive management measures may be implemented if needed;
- One annual review was conducted in 2007 with one Project Implementation Review (PIR) report produced as of end of June 2007 and one Tripartite Review report produced in November 2007.

108. The project progress is monitored/measured against a set of performance indicators, which were identified during the design phase and revised during the inception phase. There are:

**Table 6: List of Performance Indicators**

Performance Indicator
<b>Objective:</b>
<ul style="list-style-type: none"> <li>Regional development frameworks across the relevant sectors integrate adaptation to climate change</li> </ul>
<ul style="list-style-type: none"> <li>Allocation of financial resources for vulnerability studies and adaptation measures by local governing bodies</li> </ul>
<ul style="list-style-type: none"> <li>Elements of Lake Balaton ecosystem management system fully integrate adaptation approaches</li> </ul>
<b>Outcome 1:</b>
<ul style="list-style-type: none"> <li>Information system for systematic vulnerability assessment introduced and institutionalized</li> </ul>
<ul style="list-style-type: none"> <li>Changes and response model developed for better understanding of vulnerability and best option scenarios for adaptation.</li> </ul>
<b>Outcome 2:</b>
<ul style="list-style-type: none"> <li>Regional Development Council and other relevant institutions adopt and employ adaptation and vulnerability indicator framework for socioeconomic development planning</li> </ul>
<ul style="list-style-type: none"> <li>LBDCA integrates adaptation in the organisational structure and mandate</li> </ul>
<b>Outcome 3:</b>
<ul style="list-style-type: none"> <li>Regional, national and sectoral development frameworks integrate adaptation approach</li> </ul>
<b>Outcome 4:</b>
<ul style="list-style-type: none"> <li>Observable changes of improved adaptive management and risk reduction against vulnerability indicator framework</li> </ul>
<ul style="list-style-type: none"> <li>LBDC grant facility integrates adaptation into the funding eligibility criteria</li> </ul>
<ul style="list-style-type: none"> <li>LBDC fund allocation schemes will increase funding for adaptation by 30%</li> </ul>
<b>Outcome 5:</b>
<ul style="list-style-type: none"> <li>"Influencing strategy" and knowledge products developed and employed according to the replication plan</li> </ul>
<ul style="list-style-type: none"> <li>Number of local initiatives introducing adaptation approach</li> </ul>
<ul style="list-style-type: none"> <li>Good practices disseminated through GEF Adaptation Learning Mechanism</li> </ul>

109. This list of indicators is comprehensive to monitor project progress. However, as it was discussed in Section 4.1.3, the timing for implementing this project was too optimistic and most of the expected results can only be achieved sequentially; for instance, if outcome 1 is not achieved, most of the other outcomes cannot be achieved either. Therefore, a key feature to monitor the progress of this project should have been mainly the scheduling of project deliverables (Gantt chart?); including the identification of the critical path to be able to adapt the management of the project to the best possible path.

110. The set of indicators for outcome 2 was modified during the inception phase. Due to the project scope and duration (short) – not enough time to develop a CD strategy and implement it during the project lifetime, it was decided not to develop a capacity development strategy (output 2.1) with its related indicator "*Capacity Development Strategy developed*". Instead the project management team decided that to measure the capacity being developed by the project under outcome 2 would be measured through two practical indicators: The outcome indicator (1) "*Regional Development Council and other relevant institutions adopt and employ adaptation and vulnerability indicator framework for socio-economic development planning*" was kept as is; and a second outcome indicator was added as (2) "*LBDCA integrates adaptation in the organisational structure and mandate*". These two indicators would include a concrete target of modified mandate and defined tasks in job descriptions that would ensure dedicated personnel supporting adaptation priorities for the LBDCA in the Balaton region.

#### **4.4. Project Impacts**

111. This section discusses the progress made so far toward the achievement of the objective of the project and the likelihood that the project achievements will have a long-term impact on climate change adaptation strategy in Hungary.

##### **4.4.1. Potential to Achieve Long Term Project Goal and Objectives**

112. The overall development objective of the project is to build capacity and generate knowledge for increased understanding of the adaptability and vulnerability of human and natural systems on the example of the Lake Balaton and improve preparedness for climate change and enhance adaptive capacity elsewhere through lessons learned and dissemination. The potential for the project to achieve this long-term development objective is good; it is rated as satisfactory. However, it is also with the condition that during the next 6 months the project management team focuses mostly on institutionalizing the current project achievements (*see Section 4.2.1*).

113. As of July 2008, the project achievements are mostly high quality tools and instruments to assess climate change vulnerability and run some adaptation scenarios analyses. A challenge remains for institutionalizing these tools and instruments before the end of the project. The long-term objective of the project will only be achieved years after the project end but also only if the current project results are institutionalized within the relevant institutions in Hungary. There is a risk that these products will be handed over without the proper capacity being built to ensure continuity in the use of these products; as a result – despite their effectiveness - they could end up on shelves.

114. On the positive side, there are several opportunities offered to the project to move toward this institutionalization. As described in other sections, LBDCA needs to review their guidelines for their small grant scheme and incorporate climate change adaptation measures. The Ministry of Environment and Water is preparing their first national climate change adaptation action plan and they would welcome to explore and incorporate the Lake Balaton project findings into this action plan. The Water Management Authority is interested in exploring the possibility of integrating the SWAT instrument within their work; starting in the Lake Balaton area. These opportunities are starting points for this institutionalization and the channel through which the long-term project objective will be reached.

#### **4.5. Sustainability and Replicability**

115. This section discusses the potential for the long-term sustainability of the project results and the continued benefits for Hungary.

##### **4.5.1. Sustainability Strategy and Project Exit Strategy**

116. The project long-term sustainability strategy described in the project document is rated as marginally satisfactory. The strategy is mostly based on “*building to the extent possible on the existing, but inadequately implemented policy framework and local capacity the project will seek to both reinforce positive trends and introduce new ideas*”. It is a brief sustainability strategy, which does not address the long-term sustainability issues of the set of products developed by the project. The institutionalization of the project results is not mentioned; despite that there are key to the long-term sustainability (and impact) of the project.

117. This lack of a strong long-term sustainability strategy is particularly critical vis-à-vis the implementation mode of the project. Through the partnership between LBDCA, IISD and UNEP, a large amount of project work is being done at headquarters of IISD and UNEP. The approach benefits from the skills and knowledge of the respective organizations. However, the project runs the risk that very effective tools may end up on a shelf at LBDCA, IISD or UNEP. It is critical that the project management team focuses on institutionalization of these tools between now and the end of the project. It is currently the main challenge for the project to maximize its long-term sustainability.

#### **4.5.2. Sustainability of Results Achieved by the Project**

118. As described in Section 4.2.1, the project has been developing key tools and instruments to help the decision-making process for climate change mitigation and adaptation measures. These tools are being finalized and they now need to be institutionalized within the relevant organizations to have any long-term sustainability. This is the challenge for the remaining 6 months of project implementation. The potential for the long-term sustainability of the project achievements is rated as satisfactory; with the condition that the project management team commits to the institutionalization of these products within the relevant institutions in the Lake Balaton area – starting with LBDCA - and Hungary in general.

119. Currently, these products are of high quality to assess the vulnerability due to climate change and analyze adaptation scenarios. However, these products need to be handed over to the “right” institutions in Hungary to maximize the potential for their long-term sustainability. For the time being they reside mostly on web sites run by the project partners: IISD and UNEP. It is important that during the next 6 months a complete copy of these products be handed over to LBDCA but also to other relevant institutions such as the Ministry of Environment and Water and the Water Management Authority (*see Section 4.4.1*).

120. Moreover, ensuring long-term sustainability is not only a question of handing over these products to the relevant institutions. Their effectiveness goes also with a certain level of complexity to use and particularly to maintain. The transfer of these tools and instruments will necessitate adequate parallel activities to build the necessary capacity of these relevant institutions to take over these products; including the possibility of hardware and software implications (new purchases?). The sooner this institutionalization starts the better.

#### **4.5.3. Financial and Human Resources Sustainability**

121. The financial and human resources sustainability of the project do not present any particular issues. The project results will stay with LBDCA and no major recurrent cost is anticipated after the closure of the project; it is rated as satisfactory. As the national implementing agency, LBDCA will be the custodian organization for the project results. The few pieces of equipment acquired with the project resources will be transferred to the national implementing agency as per UNDP guidelines.

122. As for human resources, the project uses mostly short-term technical assistance with contracts based on deliverables; all open contracts will be terminated before the project end. The partnership agreements between LBDCA, IISD and UNEP will also be terminated at the end of the project. No human resource sustainability issue is anticipated.

123. The project team based at LBDCA is mostly staff with LBDCA contracts and paid by LBDCA. The project manager is also the Executive Director of LBDCA. He is managing the project as part of his duties as Executive Director of LBDCA. His functions include the management of a portfolio of projects and no change is expected after the project end. Only one person (project assistant) is paid by the project and the person may stay at LBDCA after the project end to provide a support function to other projects coordinated/managed by the Agency.

#### **4.5.4. Enabling Environment – Policy, Legislation and Institutions**

124. So far the project focused mostly on the development of products; identifying sustainable development indicators, putting datasets together and developing models to help the decision-making processes. These products have a lot of potential to contribute to an enabling environment (policy, legislation and institutions) for climate change adaptation in Hungary. This potential is rated as satisfactory. However, a strong focus of the project is needed on institutionalizing these products during the remaining 6 months.

125. For instance, after approving the national CC strategy, the GOH is now preparing the national action plan for climate change mitigation and adaptation. There is a strong opportunity for cooperation between the project and the ministry of Environment responsible for developing this action plan. Initial discussion during this mid-term evaluation indicates that the potential exist and that discussions should take place quickly to explore how the project results could benefit the development of this action plan.

126. Another example is the potential for transferring the integrated watershed management model (developed by the project using the SWAT methodology) to the Water Management Authority. Initial discussion during the mid-term evaluation indicates that there is an interest for the agency to adopt this new instrument in the Lake Balaton area. It could also become an instrument, which could be replicated throughout the agency in Hungary.

127. Finally, the LBDCA – as the national implementing agency – will benefit from the project. As the main beneficiary, the Agency will receive the project products and through the implementation process, its capacity to address climate change issues has been raised. Climate change mitigation and adaptation measures are now on the agenda of the Agency. A first step was taken in 2007 with the incorporation of climate change adaptation as a topic within the LBDCA small grant programme. As the leading regional development agency in the Lake Balaton area and the lead agency of the project, LBDCA will also participate in the coming (fall 2008) consultation for the next EU funded regional operational programmes (2009-2010) where climate change adaptation should be prominent among the proposed actions.

#### **4.5.5. Replication and Scaling-Up**

128. Replicability of project results is partly embedded into the project design. Outcome 5 is about project information packaging, identification of audiences and dissemination of this information. The project document has also a Section on replicability, which describes the approach as a set of activities including: engagement and influencing strategy, stakeholder forums, training, innovative financing mechanisms and knowledge transfer through conference organisation and presentations. The overall replicability approach and the potential for scaling-up of project achievements are rated as satisfactory.

129. Six months before its end, the project has a set of products with the potential to be replicated throughout relevant organizations in Hungary. Moreover, these products are accompanied with information packages (reports) containing valuable information on climate change adaptation. A few channels of communication have been identified recently to disseminate this information and a few events are planned between now and December 2008 to maximize the dissemination of this information and products.

130. For instance, the project implementation team was contacted to publish the project results in a Hungarian Journal on regional development. This opportunity for the summer 2008 offers the project team to publish the findings and also to disseminate critical information throughout Hungary. The project management team is also planning to organize an end of project workshop to also present and disseminate the project results. This event should be an opportunity to gather a broad range of stakeholders from the Lake Balaton region but also from other regions in Hungary. Finally, the web site for the project should be finalized in the next few months and should contain all project outputs, which would be available to the public.

131. Replicability and scaling-up of the project is also happening globally, mainly through the respective international networks of IISD and UNEP. As of July 2008, UNEP is leading the development of a 6M euro watershed management project around the Black Sea. Negotiations are well underway with the EU for the financing of the project. The project would be implemented by the partners of the Lake Balaton project such as UNEP, IISD and VITUKI. The methodology would be the one that was tested and refined on the Lake Balaton project. It is a direct replication and scaling-up of the Lake Balaton project in the region (Black Sea).



## 5. CONCLUSION / RATINGS SUMMARY

132. In conclusion, a summary of the ratings is given in the table below for each evaluation criteria.

**Table 7: Ratings Summary**

Evaluation Criterion	Summary Comments	Rating
Relevance	<p>The Lake Balaton project is highly relevant for Hungary and the development of the Lake Balaton area. The GOH recently approved the National Climate Change Strategy and is now preparing the National Climate Change Adaptation Action Plan. This good timing is also a good opportunity for the project to present the project results and provide the information to this national process. In the Lake Balaton area, LBDC and LBDCA (both the executing and implementing agencies of this project) are in charge of the development of the region. There are the custodians of the Balaton Regional Development Strategy 2007-2013; which is the main instrument for mainstreaming adaptation measures in the region. The development of instruments to better understand the Lake Balaton ecological and socio/economic system's vulnerability and resilience was needed and the project is providing that. For LBDCA, this project is part of their strategy to develop projects to implement their sustainable development agenda. However, a review of the project design indicates that despite a well-defined concept, the timing to implement it was too optimistic and may limit the sustainability and the impact of the project results over the long-term.</p>	Highly Relevant
Effectiveness	<p>The project effectiveness is satisfactory and the project has been achieving its expected results. It uses a strong scientific and technical background provided mostly by the project partners (IISD and UNEP). The project is providing tools and instruments to better understand the Lake Balaton ecological and socio/economic system's vulnerability and resilience arising from multiple forces of global and local changes such as an Internet Map Server, Climate and Land Cover Change Scenarios, a customized SWAT instrument to assess environmental impacts on the Lake Balaton watershed, a sustainable development indicator system for the region, a web-based information tool on the area (BalatonTrend). It also contributed to the mainstreaming of adaptation measures within the small grant scheme of LBDCA. However, most of these tools and instruments need to be institutionalized during the remaining period of the project to be sustainable in the long-term. This is the main challenge of the project for this remaining period and the team may "run out of time". In parallel to the development of these products, the project focus on capacity development is marginally satisfactory. It is mostly interpreted as the training component of the project with a transfer of knowledge to the relevant audiences. The originally planned capacity development strategy was needed.</p>	Satisfactory
Efficiency	<p>The project is well managed; following UNDP procedures. Project progress is monitored through a list of indicators, reports and quarterly management meetings. The delay in achieving some project expected results was "flagged" early into the implementation; despite the fact that this management risk (timing/scheduling) was never identified as a risk. However, despite several attempts at addressing the issue by re-planning the production of project outputs, the situation did not really improve over time. There is now a remaining short period of 6 months for the project management team to institutionalize the project achievements and maximize the long-term sustainability of these results. Despite the use of quality</p>	Satisfactory

Evaluation Criterion	Summary Comments	Rating
	<p>technical assistance, the project did not use enough national consultants; which prevented the contribution to the development of a national capacity in the adaptation area. Finally, the fact that three partners – including two international partners – implement the project seems to have prevented a stronger country ownership. The project was designed by these three partners and implemented by them; there is a limited “connection” with other relevant institutions in Hungary.</p>	
Impact	<p>The potential for the long-term impact (after the project end) of the project in the Lake Balaton area and in Hungary exists; however, this long-term impact will only be realized if the project management team is able to institutionalize the products developed by the project so far (see effectiveness). It is the main challenge for the remaining period of the project. Opportunities exist through the full transfer of project results to LBDCA, through cooperation with the Ministry of Environment and Water to develop the national climate change adaptation action plan, through the Water Management Authority to mainstream the SWAT instrument within their work and possibly other existing initiatives.</p>	Satisfactory
Sustainability	<p>The sustainability of the project achievements is similar to the potential long-term impacts of project results. It depends on the capacity of the project implementation team to institutionalize these products. The project runs the risk of ending with these effective products “seating” on shelves and not being used. It is important that a full set of project achievements be transferred to LBDCA; including the web-based databases and models.</p>	Satisfactory
Overall Rating	<p>Overall, the progress of the project is rated as satisfactory. The project is highly relevant for the Lake Balaton area and Hungary in the context of the recently approved national climate change strategy and the soon-to-be-approved national adaptation action plan 2008-2010. However, despite a good concept/design, the project objectives are too optimistic given the anticipated timeline. As a result, time pressure has existed from the outset of the project; compounded by a slow project start-up. The national ownership of the project is mostly limited to LBDCA without other connections such as the Ministry of Environment and Water and the Water Management Authority, due partly to the fact that the three project implementation partners are at the origin of the project concept and that limited national consultants were used through the implementation. In the meantime, the focus on capacity development is too weak; a capacity development strategy would be needed (as planned originally) to identify the capacity gaps and capacity needs to ensure the “<i>overall ability of a system to perform and sustain itself</i>”. Nevertheless, the project has been providing tools and instruments to better understand the Lake Balaton ecological and socio/economic system’s vulnerability and resilience arising from multiple forces of global and local changes such as: an Internet Map Server, Climate and Land Cover Change Scenarios, a customized SWAT instrument to assess environmental impacts on the Lake Balaton watershed, a sustainable development indicator system for the region, and, a web-based information tool on the area (“BalatonTrend”). It also contributed to the mainstreaming of adaptation measures within the small grant scheme of LBDCA. The expected project results are being delivered but there is a risk that these products will not be fully institutionalized before the project end. This would limit the long-term impact and sustainability of the</p>	Satisfactory

Evaluation Criterion	Summary Comments	Rating
	<p>project results. Opportunities for institutionalizing these products exist through the full transfer of project results to LBDCA, through cooperation with the Ministry of Environment and Water to develop the national climate change adaptation action plan, through the Water Management Authority to mainstream the SWAT instrument within their work and possibly other existing initiatives. This is the main challenge of the project for the remaining period to make it a success.</p>	

## 6. LESSONS LEARNED

133. Based on the review of project documents, interviews and meetings with key informants, and analysis of the information collected, the Evaluator collated the following lessons learned:

- A project design with a weak sustainability strategy and no exit strategy is a limiting factor for the success of a project. If sustainability is not part of the set of expected results, it is not considered early enough in the implementation by the project team, has limited resources allocated to it and, as a consequence, may prevent the project of being a success over the long-term.
- With the support of two international partners, the project developed state-of-the-art tools and instruments to assess the vulnerability of the Lake Balaton to climate change and the impact of future adaptation scenarios. It was a pioneer project for UNDP in the field of climate change adaptation. However, with the right mix of skills and knowledge and benefiting from a strong scientific and technical background, the project was able to make “in-roads” in the area of climate change adaptation and several achievements are replicable at the national level in Hungary but also in the region and worldwide.
- Implementing a project with international partners has clear advantages such as access to a broad range of skills and knowledge. However, often it also has the disadvantage of not putting enough emphasis on national ownership and development of local capacity. A proper balance must be found and this aspect monitored carefully by the implementation team to react quickly if needed; ultimately this national ownership is key for long-term sustainability of the project achievements.
- When a project is implemented by the same organization(s) that designed it, there is a risk of focusing on short-term production of project deliverables and forgetting the overall development objective(s) of the project, which depends not only on the short-term production of project deliverables but also on the participation of Stakeholders to ensure a proper institutionalization of these project deliverables over the long-term.
- Considering the set of expected results of this project, the timeline is inadequate. A project that seeks to strengthen the capacity for formulating and implementing adaptive strategies, to strengthen the policy framework in a particular area and to implement direct actions with results expected during the lifetime of the project needs a longer implementation period. A 5-year duration minimum should be required for this type of initiative. With a shorter timeframe (less than 5 years), the project runs the risk of having project deliverables that are not properly institutionalized; limiting the potential for larger impacts in the long-term and possibly project deliverables ending up on shelves.
- Having an executing agency placed within an existing key organization in the project area instead of a traditional external project management unit connects the project better to existing local processes and mechanisms. This is also reinforced when the project steering committee is an existing committee (such as LBDC in this case). The project becomes part of the work plan of this organization and contributes to a greater national ownership.
- Management issues are often not part of the identified risks before project start-ups. Risks are identified in categories such as political, financial, scientific, etc., but rarely management related. However, projects often face management issues that may impact negatively project achievements

such as scheduling, allocation of budget resources, hiring, procuring, etc.. Considering these risks earlier in project implementation and recognizing that they may impact greatly the outcomes of projects would help project management teams to focus more on these issues and address them earlier.

## 7. RECOMMENDATIONS

134. Based on the findings of this mid-term evaluation, the following recommendations are made:

### **Recommendations to End the Project**

1. As soon as possible the project management team in close collaboration with UNDP should draft an exit plan. If necessary, the project should use a short-term consultant to speed up this process. It should include a mini-work plan for the period July-December 2008 and a plan for project administrative procedures such as the administration, finance and procurement (handover) to close the project. These matters coupled with a target closing date of December 31, 2008 will give the remaining timeframe to the project management team for closing project activities.
2. The work plan for the remaining 6 months period should focus primarily on the institutionalization of project deliverables. As the review indicated in chapter 4 above, a set of project products is being delivered; they should be totally completed in the coming weeks. Then, the project implementation team should focus on their institutionalization. During the mission of the Evaluator to Hungary, a few sessions with the project management team took place to discuss what, who and when the remaining activities will be done. A copy of this initial work plan is presented in the table below:

**Table 8: Initial Work Plan for the Period July-December 2008**

PRIORITY	TASK	OUTPUT	TARGET DATE
Administrative	Quarterly work plan and payments	Signed work plans	
Sustainability plan for project	Strategy for institutionalization of key results / outputs	Brief strategy	Jul-31
Indicator report	Complete report, 90% done	Completed indicator report	Jul-31
Comitatus Journal - special issue on Lake Balaton	Prepare special issue of journal, including brief guidelines for adaptation, in Hungarian	Journal articles	Jul-31
SWAT model and report	Finish writing, 50% done	Finished report	Jul-31
Scenario report	Write report, adding workshop results to existing methodological draft	Finished report	Aug-31
Integrated model	Complete integrated model	Stella model	Aug-31
Project website	Complete project website in both Hungarian and English	Main website	Aug-31
National implementation plan with Ministry of Environment and Water	Prepare through 2-3 iterations together with KVVMM	Regional implementation plan recommendations	Sep-30
Participate in Watershed Mgmt conference in Budapest	Presentation at conference	Presentation	Sep-03
Recommendations for adaptation in the Lake Balaton region	Recommendation of specific adaptation measures for key actors, particularly for LBDCA, in the Lake Balaton	Short report	Sep-03
Final conference for audience in Hungary	Organize and hold closing conference	Conference agenda, presentations, report	Nov-01
Final conference for international audience	Explore organization of conference for international participants	Conference	??
Translate reports into Hungarian	Reports in Hungarian	Translated reports	Dec-31
Collaborate with water authorities and VITUKI for	Engage in dialogue with authority regarding handing over SWAT	Improved SWAT model use capacity at water authority,	Dec-24

PRIORITY	TASK	OUTPUT	TARGET DATE
watershed planning	model, determine modality, explore possibility for ongoing collaboration through graduate student	clarity about way forward	
Synthesis report	Synthesis report on project, focusing on methodologies/design, results, challenges and recommendations for future; may integrate adaptation criteria	Report in English (with possible translation into Hungarian)	Dec-31
Scientific publications	Write papers	Various journal papers	N/A
Follow up projects	Identify and pursue follow up project options at Lake Balaton, in Hungary, CEE and beyond (EnviroGRIDS etc.)	Proposals	N/A

3. As part of wrapping up the project in the next 6 months, all project information should be packaged and made public - in both languages: Hungarian and English. A mix of hard copies and web-based information products should be developed. The project web site – currently coordinated by LBDCA – should be completed as soon as possible. It should include all project information and at least all links to other sites where project data are stored such as the IMS on a UNEP web site and BalatonTrend on IISD web site.
4. Follow-up discussions with the Ministry of Environment and Water (MEW) to cooperate with them on the preparation of the national climate change adaptation action plan. This is a good opportunity to mainstream nationally some of the project findings. It is a win-win situation whereby the Ministry would benefit from the project achievements and the cooperation would increase the potential for the long-term sustainability of these same project achievements.
5. Initiate dialogue with the Water Management Authority to discuss the opportunity to transfer the SWAT instrument to the organization. A process should be quickly identified; including the possibility of workshop(s) to present the instrument and develop internal capacity within the authority to institutionalize the tool. Any major capacity gaps should be identified early on to assess if the project would have the time and resources to address them.
6. It is recommended to organize a final conference to showcase the project results. As a model, a recent conference was organized on the Tizsa River at the Parliament level by a team of experts. A similar event should be organized by the project management team with the support of Stakeholders such as the Ministry of Environment and Water. This conference should be an opportunity to package information on project results and disseminate these findings. The main focus should be Hungarian policy-makers with the participation of some international experts; including representatives from the EU on climate change adaptation.
7. A final workshop with LBDC members is recommended to provide an overview of the project achievements and their institutionalization/sustainability. The timing should be close to the end of the project in December 2008. It could be an opportunity for LBDCA to submit proposals to LBDC for the way forward regarding climate change adaptation in the Lake Balaton area.
8. A complete copy of all project results should be left at LBDCA; including a copy of the data/models/systems hosted on partners' web sites such as the IMS database, the SWAT instrument, and the BalatonTrend information tool. The current web hosting strategy can be maintained but a complete set of data should be copied to LBDCA as the national implementing agency and the main custodian of the project results.
9. Initial contact has been made between the representatives of the Regional Development Journal and the project management team for a special issue on the Lake Balaton Region to be published this summer. This is a tight schedule but this opportunity should be followed up. The publication of the project achievements in this edition could become the major part of a synthesis report – the technical component of the end of project report that LBDCA will have to submit to UNDP/GEF.
10. As per the MSP brief, it is recommended that the project management team write a case study on the project using the existing material – particularly the publication to be prepared for the Journal (see

above) – and publish it to the Adaptation Learning Mechanism ([www.adaptationlearning.net](http://www.adaptationlearning.net)). More publication could be published to this site to promote particular achievements of the project such as the SWAT model adapted to the Lake Balaton area, the BalatonTrend information tool and the sustainable development indicator system and its development.

### **Opportunities for UNDP and GEF**

11. Capacity development is often part of the critical success factors for this kind of project. However, there are still various definitions of what it is and how it should be done. UNDP has accumulated an extensive body of knowledge in this area. It should ensure that for each project where capacity development is involved, a strategy should be developed early in the project and should encompass all elements of capacity development – based on the UNDP body of knowledge on capacity development - to ensure the *“overall ability of a system to perform and sustain itself”*.



## Annex 1: Terms of Reference

### for Project Mid-term Evaluation of UNDP/GEF Medium-Size Project

<b>Project Title:</b>	<b>Lake Balaton Integrated Vulnerability Assessment, Early Warning and Adaptation Strategies</b>
<b>Functional Title:</b>	Consultant for Independent Evaluation
<b>Duration:</b>	Estimated <b>15 days</b> total working time over the period of: <b>March – June 2008</b>
<b>Terms of Payment:</b>	Lump sum payable upon satisfactory completion and approval by UNDP of all deliverables, including the Evaluation report
<b>Travel costs:</b>	The costs of in-country mission(s) of the consultant are to be included in the lump sum.

#### 1. PURPOSE OF THE EVALUATION

The Monitoring and Evaluation Policy at the project level in UNDP/GEF has two overarching objectives:

- a) promote accountability for the achievement of GEF objectives through the assessment of results, effectiveness, processes and performance of the partners involved in GEF activities. GEF results will be monitored and evaluated for their contribution to global environmental benefits; and
- b) promote learning, feedback and knowledge sharing on results and lessons learned among the GEF and its partners, as basis for decision-making on policies, strategies, program management, and projects and to improve knowledge and performance.

A mix of tools is used to ensure effective Project monitoring and evaluation. These might be applied continuously throughout the lifetime of the project e.g. periodic monitoring of indicators – or as specific time-bound exercise such as mid-term reviews, audit reports and final evaluations.

The evaluation is to be undertaken in accordance with the “GEF Monitoring and Evaluation Policy”(see <http://thegef.org/MonitoringandEvaluation/MEPoliciesProcedures/mepoliciesprocedures.html>).

The Mid-Term Evaluation is intended to assess the relevance, performance, management arrangements and success of the project. It looks at signs of potential impact and sustainability of results, including the contribution to capacity development and the achievement of global and national environmental goals.

The Mid-Term Evaluation also identifies/documents lessons learned and makes recommendations that project partners and stakeholders might use to improve the design and implementation of other related projects and programs.

#### 2. PROJECT DESCRIPTION

The implementation of the UNDP/GEF Medium-Size Project “Lake Balaton Integrated Vulnerability Assessment, Early Warning and Adaptation Strategies” began in January 2006 with an objective to contribute to a better understanding of the Lake Balaton ecological and socio/economic system’s vulnerability and resilience arising from multiple forces of global and local change, including land use, demographic, economic and climate change and build capacity for more effective policy/making and adaptation measures in response.

The project has five outcomes. The first will strengthen ecological and socio/economic resilience by **increased understanding** of lake and watershed processes viewed through the lens of vulnerability and adaptation. The second outcome will strengthen **capacity** for formulating and implementing adaptive

strategies compatible with sustainable development. The third outcome will strengthen the *policy framework* conducive to adaptive management with particular interest to institutional mechanisms and economic incentives and disincentives. The fourth outcome will facilitate adaptation to the impacts of climate change through *direct action* in the form of pilot initiatives funded through LBDC's existing small grants facility and innovative financing mechanisms. The fifth outcome will enhance *public and policymaker awareness* of integrated vulnerability and adaptation approaches locally, nationally and internationally, including contribution to the GEF's project on the Adaptation Learning Mechanisms.

The designed total project budget is 4.075.000 USD, including 985.000 USD GEF funding.

The National Executing Agency (NExA) for the project is the Lake Balaton Development Council(LBDC). The National Implementing Agency (NIA) is the Lake Balaton Development Coordination Agency (LBDCA).

The geographical scope of the project is the Lake Balaton Resort Area of Hungary as defined in the Lake Balaton Act of 2000.

### 3. EVALUATION AUDIENCE

This Mid-term Evaluation of the UNDP/GEF Project is initiated by UNDP as the GEF Implementing Agency. It aims to determine progress being made towards the achievement of outcomes and will identify course correction if needed.

It aims to provide managers (the Project Team, the Implementation Agency, UNDP-Hungary Project Office and UNDP-GEF levels) with strategy and policy options for more effectively and efficiently achieving the project's expected results and for replicating the results. It also provides the basis for learning and accountability for managers and stakeholders.

The Evaluation will highlight issues requiring decisions and actions; and will present initial lessons learned about project design, implementation and management.

### 4. EVALUATION OBJECTIVES AND SCOPE

The overall purpose of the evaluation is to measure the effectiveness and efficiency of project activities in relation to the stated objective so far, and to produce possible recommendations on how to improve the management of the project until its completion in 2008.

The Mid-term Evaluation serves as an agent of change and plays a critical role in supporting accountability. Its main objectives are:

- (i) To strengthen the adaptive management and monitoring functions of the Project;
- (ii) To ensure accountability for the achievement of the GEF objective;
- (iii) To enhance organizational and development learning;
- (iv) To enable informed decision-making;

Particular emphasis should be put on the current project results and the possibility of achieving all the objectives in the given timeframe, taking into consideration the speed, at which the project is proceeding. More specifically, the evaluation should assess:

#### Project concept and design

The evaluators will assess the project concept and design. He/she should review the problem addressed by the project and the project strategy, encompassing an assessment of the appropriateness of the objectives, planned outputs, activities and inputs as compared to cost-effective alternatives. He/she should validate the Proposal for Amendment revising Output 2 of the project. The executing modality and managerial arrangements should also be judged. The evaluator will assess the achievement of indicators and review the work plan, planned duration and budget of the project.



### Implementation

The evaluation will assess the implementation of the project in terms of quality and timeliness of inputs and efficiency and effectiveness of activities carried out. Also, the effectiveness of management as well as the quality and timeliness of monitoring and backstopping by all parties to the project should be evaluated. In particular the evaluation is to assess the Project team's use of adaptive management in project implementation.

### Project outputs, outcomes and impact

The evaluation will assess the outputs, outcomes and impact achieved by the project as well as the likely sustainability of project results. This should encompass an assessment of the achievement of the immediate objectives and the contribution to attaining the overall objective of the project. The evaluation should also assess the extent to which the implementation of the project has been inclusive of relevant stakeholders and to which it has been able to create collaboration between different partners. The evaluation will also examine if the project has had significant unexpected effects, whether of beneficial or detrimental character.

More specifically, the Evaluation will focus on the following aspects:

- **Project design and its relevance** in relation to:
  - a) Development priorities at the national level;
  - b) Stakeholders – assess if the specific needs were met;
  - c) Country ownership / drivenness – participation and commitments of government, local authorities, public services, utilities, residents;
  - d) UNDP mission to promote Sustainable Human Development (SHD) by assisting the country to build its capacities in the focal area of environmental protection and management;
  
- **Performance** - look at the progress that has been made by the project relative to the achievement of its objective and outcomes;
  - a) Effectiveness - extent to which the project has achieved its objectives and the desired outcomes, and the overall contribution of the project to national strategic objectives;
  - b) Efficiency - assess efficiency against overall impact of the project for better projection of achievements and benefits resulting from project resources, including an assessment of the different implementation modalities and the cost effectiveness of the utilisation of GEF resources and actual co-financing for the achievement of project results;
  - c) Timeliness of results,
  
- **Management arrangements** focused on project implementation:
  - d) General implementation and management - evaluate the adequacy of the project, implementation structure, including the effectiveness of the Project Steering Committee, partnership strategy and stakeholder involvement from the aspect of compliance to UNDP/GEF requirements and also from the perspective of “good practice model” that could be used for replication
  - e) Financial accountability – extent to which the sound financial management has been an integral part of achieving project results, with particular reference to adequate reporting, identification of problems and adjustment of activities, budgets and inputs
  - f) Monitoring and evaluation on project level – assess the adoption of the monitoring and evaluation system during the project implementation, and its internalization by competent authorities and service providers after the completion of the project; focusing to relevance of the performance indicators, that are:
    - Specific: The system captures the essence of the desired result by clearly and directly relating to achieving an objective and only that objective.
    - Measurable: The monitoring system and indicators are unambiguously specified so that all parties agree on what it covers and there are practical ways to measure it.
    - Achievable and Attributable: The system identifies what changes are anticipated as a result of the intervention and whether the result(s) are realistic. Attribution requires that changes in the targeted developmental issue can be linked to the intervention.
    - Relevant and Realistic: The system establishes levels of performance that are likely to be achieved in a practical manner, and that reflect the expectations of stakeholders.
    - Time-bound, Timely, Trackable and Targeted: The system allows progress to be tracked in a

cost-effective manner at desired frequency for a set period, with clear identification of particular stakeholders group to be impacted by the project.

- **Overall success** of the project with regard to the following criteria:
  - a) *Impact* - assessment of the results with reference to the development objectives of the project and the achievement of global environmental goals, positive or negative, intended or unintended changes brought about by the project intervention, (number of households benefiting, number of areas with the new technology in place, level of sensitization and awareness about the technology; any change at the policy level that contributes to sustainability of the tested model, impact in private/ public and/ or at individual levels);
  - e) *Global environmental benefits* – ecosystem resilience to climate change and adaptive capacity.
  - b) *Sustainability* - assessment of the prospects for benefits/activities continuing after the end of the project, *static sustainability* which refers to the continuous flow of the same benefits to the same target groups; *dynamic sustainability* use and/or adaptation of the projects' results by original target groups and/or other target groups;
  - c) *Contribution to capacity development* - extent to which the project has empowered target groups and have made possible for the government and local institutions (municipalities) to use the positive experiences; ownership of projects' results;
  - d) *Replication* – analysis of replication potential of the project positive results in country and in the region, outlining of possible funding sources; replication to date without direct intervention of the project;
  - e) *Synergies* with other similar projects, funded by the government or other donors.

In addition to a descriptive assessment, all criteria should be rated using the following divisions: *Highly Satisfactory*, *Satisfactory*, *Marginally Satisfactory*, *Unsatisfactory* with an explanation of the rating.

### **Issues of special consideration**

The Evaluation Report will present the experience and recommendations for the benefit of design and implementation of other GEF-funded adaptation projects. Especially the aspects of building capacity for adaptation, communication and awareness-raising to support climate change adaptation, integration of climate change risk considerations and adaptation into policy and planning processes, as well as the specific management practices for natural resources to support adaptation to climate change, shall be assessed.

For future development support in the region, UNDP is especially interested in the assessment of the support model applied in the project, its implications for the long-term impact and sustainability of the project results.

The Evaluation Report will present recommendations and lessons of broader applicability for follow-up and future support of UNDP and/or the Government, highlighting the best and worst practices in addressing issues relating to the evaluation scope.

## **5. EVALUATION METHODOLOGY**

An outline of an evaluation approach is provided below; however it should be made clear that the evaluator is responsible for revising the approach as necessary. Any changes should be in-line with international criteria and professional norms and standards (as adopted by the UN Evaluation Group – Annex 3). They must be also cleared by UNDP before being applied by the evaluation team.

The evaluation must provide evidence-based information that is credible, reliable and useful. It must be easily understood by project partners and applicable to the remaining period of project duration.

The evaluation should provide as much gender disaggregated data as possible.

The evaluation will take place mainly in the field. The evaluator is expected to follow a participatory and consultative approach ensuring close engagement with the government counterparts, the National Project

Manager from the Lake Balaton Development Coordination Agency (LBDCA), Steering Committee, *project team*, and key stakeholders.

The evaluator is expected to consult all relevant sources of information, such as the project document, project reports – incl. Annual Reports, project budget revision, progress reports, project files, national strategic and legal documents, and any other material that s/he may consider useful for evidence based assessment.

The evaluator is expected to use interviews as a means of collecting data on the relevance, performance and success of the project. S/He is also expected to visit the project sites.

The methodology to be used by the evaluation team should be presented in the report in detail. It shall include information on:

- Documentation reviewed;
- Interviews;
- Field visits;
- Questionnaires;
- Participatory techniques and other approaches for the gathering and analysis of data.

*Although the Evaluator should feel free to discuss with the authorities concerned, all matters relevant to its assignment, it is not authorized to make any commitment or statement on behalf of UNDP or GEF or the project management.*

The Evaluator should reflect sound accounting procedures and be prudent in using the resources of the evaluation.

## **6. DELIVERABLES**

The output of the mission will be the **Evaluation Report** in English. The length of the Report should not exceed 30 pages in total (not including the annexes).

Initial draft of the Evaluation Report will be circulated for comments to UNDP, the Lake Balaton Development Council, the Lake Balaton Development Coordination Agency and the Project Manager. After incorporation of comments, the Evaluation Report will be finalized. If any discrepancies have emerged between impressions and findings of the evaluation team and the aforementioned parties, these should be explained in an annex attached to the final report.

One mission to Siófok, Hungary, and selected project sites will be conducted.

The Evaluation Report template following the GEF requirements is attached in Annex 1 of this TOR.

## **7. TIMING AND DURATION**

The total duration of the evaluation will be **15 days** within the period of **March – June 2008**, according to the following plan:

*Preparation (home office):*

- *Collection of and acquaintance with the project document and other relevant materials with information about the project;*
- *Familiarization with relevant policy framework in Hungary;*
- *Design the detailed evaluation scope and methodology (including the methods for data collection and analysis);*
- *Set up the mission dates and detailed mission programme preparation in cooperation with the Project manager. The Project manager will organize the schedule of the mission and will arrange transportation for the consultant; will arrange for translation/interpretation when necessary*
- *Communication with the project staff to clarify matters*

*Mission to Hungary (5 working days, latest till mid May 2008):*

- *briefing with the PMU*
- *visits to project site(s)*
- *meeting with the National Project Director, Steering Committee members and stakeholder groups*

*Elaboration of the draft report (home office, till 31 May 2008):*

- *Additional desk review*
- *Completing of the draft report*
- *Presentation of draft report for comments and suggestions*
- *additional information and further clarification with UNDP, project management and project staff;*

*Elaboration of the final report (home office, till 30 June 2008)*

- *Incorporation of comments and additional findings into the draft report*
- *Finalization of the report*

The draft Evaluation report shall be submitted to UNDP for review **within 10 working days after the mission**. UNDP and the stakeholders will submit comments and suggestions **within 10 working days** after receiving the draft.

The finalized Evaluation Report shall be submitted latest **on 30 June 2008**.

## **8. REQUIRED QUALIFICATION**

- University degree in technical, economics or environment related issues;
- Recent experience with result-based management evaluation methodologies;
- Recent experience in evaluation of international donor driven projects;
- Recognized expertise in the field of natural resource management and vulnerability and adaptation studies (V&A), including water and watershed systems;
- Familiarity with Water management in public sector
- Familiarity with Water management policies in CEE, especially in Hungary;
- Work experience in relevant areas for at least 8 years;
- Conceptual thinking and analytical skills;
- Project evaluation experiences within United Nations system will be considered an asset;
- Fluency in Hungarian will be considered an asset;
- Excellent English communication skills;
- Computer literacy;

The evaluator must be independent from both the policy-making process and the delivery and management of assistance. Therefore applications will not be considered from evaluators who have had any direct involvement with the design or implementation of the project, or have conflict of interest with project related activities. This may apply equally to evaluators who are associated with organizations, or entities that are, or have been, involved in the delivery of the project. Any previous association with the project, the Executing of national implementing Agency or other partners/stakeholders must be disclosed in the application. This applies equally to firms submitting proposals as it does to individual evaluators.

If selected, failure to make the above disclosures will be considered just grounds for immediate contract termination, without recompense. In such circumstances, all notes, reports and other documentation produced by the evaluator will be retained by UNDP.

## **9 APPLICATION PROCESS**

Applicants are requested to send in **electronic versions**:

1. current and complete C.V. in English with indication of the e-mail and phone contact
2. price offer indicating the total cost of the assignment (including the daily fee, per diem and travel costs)

by **10 March 2008, 17.00 CET** to:

Ms. Klára Tóthová  
Environmental Officer  
Country Support Team  
UNDP, Europe and the CIS  
Bratislava Regional Centre  
Grosslingova 35  
811 09 Bratislava  
[klara.tothova@undp.org](mailto:klara.tothova@undp.org)

Due to the large number of applicants, UNDP regrets that it is unable to inform unsuccessful candidates about the outcome or status of the recruitment process.

UNDP is an equal opportunity employer and all qualified candidates are encouraged to apply.

## **10 ANNEXES**

- Annex 1A Evaluation Report: Sample Outline – Minimum GEF Requirements
- Annex 1B Explanation on Terminology Provided in the GEF Guidelines to Terminal Evaluations
- Annex 2 Ethical Code of Conduct for UNDP Evaluations
- Annex 3 UNEG Norms and Standards for Evaluation

## EVALUATION REPORT: SAMPLE OUTLINE

### Minimum GEF Requirements

#### Executive summary

- Brief description of the project
- Context and purpose of the evaluation
- Main conclusions, recommendations and lessons learned

#### Introduction

- Project background
- Purpose of the evaluation
- Key issues addressed
- The outputs of the evaluation and how will they be used
- Methodology of the evaluation
- Structure of the evaluation

#### The Project and its development context

- Project start and its duration
  - Implementation status
  - Problems that the project seek to address
  - Immediate and development objectives of the project
  - Main stakeholders
  - Results expected
- An analysis of the situation with regard to the outcomes, the outputs and the partnership strategy;

#### FINDINGS

##### Project formulation

- Implementation approach
- Analysis of Logical Framework Matrix- LFM (Project logic/strategy, indicators)
- Country ownership/Drivenness
- Stakeholder participation
- Replication approach
- Cost-effectiveness
- UNDP comparative advantage
- Linkages between project and other interventions within the sector
- Management arrangements

##### Implementation

- Implementation approach
- LFM used during implementation as a management and M&E tool
- Effective partnership arrangements established for implementation
- Feedback from M&E activities used for adaptive management
- Financial planning
- Monitoring and evaluation
- Execution and implementation modalities
- Management by the UNDP country office
- Coordination and operation issues
- Identification and management of risks (adaptive management)

##### Results

- Attainment of objective
- Prospects of sustainability
- Contribution to upgrading skills of the national staff

**Conclusions and recommendations**

- Corrective actions for the design, implementation, monitoring and evaluation of the project
- Actions to strengthen or reinforce benefits from the project
- Proposals for future directions underlining main objectives
- Suggestions for strengthening ownership, management of potential risks

**Lessons learned**

- Good and bad practices and lessons learned in addressing issues relating to effectiveness, efficiency and relevance.

**Annexes**

- TOR
- Itinerary
- List of persons interviewed
- Summary of field visits
- List of documents reviewed
- Questionnaire used and summary of results

## Explanation on Terminology Provided in the GEF Guidelines to Terminal Evaluations

**Implementation Approach** includes an analysis of the project's logical framework, adaptation to changing conditions (adaptive management), partnerships in implementation arrangements, changes in project design, and overall project management.

Some elements of an effective implementation approach may include:

- The logical framework used during implementation as a management and M&E tool
- Effective partnerships arrangements established for implementation of the project with relevant stakeholders involved in the country/region
- Lessons from other relevant projects (e.g., same focal area) incorporated into project implementation
- Feedback from M&E activities used for adaptive management.

**Country Ownership/Drivenness** is the relevance of the project to national development and environmental agendas, recipient country commitment, and regional and international agreements where applicable. Project Concept has its origin within the national sectoral and development plans

Some elements of effective country ownership/drivenness may include:

- Project Concept has its origin within the national sectoral and development plans
- Outcomes (or potential outcomes) from the project have been incorporated into the national sectoral and development plans
- Relevant country representatives (e.g., governmental official, civil society, etc.) are actively involved in project identification, planning and/or implementation
- The recipient government has maintained financial commitment to the project
- The government has approved policies and/or modified regulatory frameworks in line with the project's objectives
- Project's collaboration with industry associations

**Stakeholder Participation/Public Involvement** consists of three related and often overlapping processes: information dissemination, consultation, and "stakeholder" participation. Stakeholders are the individuals, groups, institutions, or other bodies that have an interest or stake in the outcome of the GEF-financed project. The term also applies to those potentially adversely affected by a project.

Examples of effective public involvement include:

- Information dissemination
- Implementation of appropriate outreach/public awareness campaigns

### Consultation and stakeholder participation

- Consulting and making use of the skills, experiences and knowledge of NGOs, community and local groups, the private and public sectors, and academic institutions in the design, implementation, and evaluation of project activities

### Stakeholder participation

- Project institutional networks well placed within the overall national or community organizational structures, for example, by building on the local decision making structures, incorporating local knowledge, and devolving project management responsibilities to the local organizations or communities as the project approaches closure
- Building partnerships among different project stakeholders
- Fulfilment of commitments to local stakeholders and stakeholders considered to be adequately involved.

**Sustainability** measures the extent to which benefits continue, within or outside the project domain, from a particular project or program after GEF assistance/external assistance has come to an end. Relevant factors to improve the sustainability of project outcomes include:

- Development and implementation of a sustainability strategy.



- Establishment of the financial and economic instruments and mechanisms to ensure the ongoing flow of benefits once the GEF assistance ends (from the public and private sectors, income generating activities, and market transformations to promote the project's objectives).
- Development of suitable organizational arrangements by public and/or private sector.
- Development of policy and regulatory frameworks that further the project objectives.
- Incorporation of environmental and ecological factors affecting future flow of benefits.
- Development of appropriate institutional capacity (systems, structures, staff, expertise, etc.) .
- Identification and involvement of champions (i.e. individuals in government and civil society who can promote sustainability of project outcomes).
- Achieving social sustainability, for example, by mainstreaming project activities into the economy or community production activities.
- Achieving stakeholders consensus regarding courses of action on project activities.

**Replication approach**, in the context of GEF projects, is defined as lessons and experiences coming out of the project that are replicated or scaled up in the design and implementation of other projects. Replication can have two aspects, replication proper (lessons and experiences are replicated in different geographic area) or scaling up (lessons and experiences are replicated within the same geographic area but funded by other sources). Examples of replication approaches include:

- Knowledge transfer (i.e., dissemination of lessons through project result documents, training workshops, information exchange, a national and regional forum, etc).
- Expansion of demonstration projects.
- Capacity building and training of individuals, and institutions to expand the project's achievements in the country or other regions.
- Use of project-trained individuals, institutions or companies to replicate the project's outcomes in other regions.

**Financial Planning** includes actual project cost by activity, financial management (including disbursement issues), and co-financing. If a financial audit has been conducted the major findings should be presented in the TE.

Effective financial plans include:

- Identification of potential sources of co-financing as well as leveraged and associated financing<sup>3</sup>.
- Strong financial controls, including reporting, and planning that allow the project management to make informed decisions regarding the budget at any time, allows for a proper and timely flow of funds, and for the payment of satisfactory project deliverables
- Due diligence due diligence in the management of funds and financial audits.

*Co financing includes:* Grants, Loans/Concessional (compared to market rate), Credits, Equity investments, In-kind support, other contributions mobilized for the project from other multilateral agencies, bilateral development cooperation agencies, NGOs, the private sector and beneficiaries. Please refer to Council documents on co-financing for definitions, such as GEF/C.20/6.

*Leveraged resources* are additional resources—beyond those committed to the project itself at the time of approval—that are mobilized later as a direct result of the project. Leveraged resources can be financial or in-kind and they may be from other donors, NGO's, foundations, governments, communities or the private sector. Please briefly describe the resources the project has leveraged since inception and indicate how these resources are contributing to the project's ultimate objective.

**Cost-effectiveness** assesses the achievement of the environmental and developmental objectives as well as the project's outputs in relation to the inputs, costs, and implementing time. It also examines the project's compliance with the application of the incremental cost concept. Cost-effective factors include:

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<sup>3</sup> Please refer to Council documents on co-financing for definitions, such as GEF/C.20/6. The following page presents a table to be used for reporting co-financing.

- Compliance with the incremental cost criteria (e.g. GEF funds are used to finance a component of a project that would not have taken place without GEF funding.) and securing co-funding and associated funding.
- The project completed the planned activities and met or exceeded the expected outcomes in terms of achievement of Global Environmental and Development Objectives according to schedule, and as cost-effective as initially planned.
- The project used either a benchmark approach or a comparison approach (did not exceed the costs levels of similar projects in similar contexts)

**Monitoring & Evaluation.** Monitoring is the periodic oversight of a process, or the implementation of an activity, which seeks to establish the extent to which inputs, work schedules, other required actions and outputs are proceeding according to plan, so that timely action can be taken to correct the deficiencies detected. Evaluation is a process by which program inputs, activities and results are analyzed and judged explicitly against benchmarks or baseline conditions using performance indicators. This will allow project managers and planners to make decisions based on the evidence of information on the project implementation stage, performance indicators, level of funding still available, etc, building on the project's logical framework.

Monitoring and Evaluation includes activities to measure the project's achievements such as identification of performance indicators, measurement procedures, and determination of baseline conditions. Projects are required to implement plans for monitoring and evaluation with adequate funding and appropriate staff and include activities such as description of data sources and methods for data collection, collection of baseline data, and stakeholder participation. Given the long-term nature of many GEF projects, projects are also encouraged to include long-term monitoring plans that are sustainable after project completion.

**ETHICAL CODE OF CONDUCT FOR UNDP EVALUATIONS**

Evaluations of UNDP-supported activities need to be independent, impartial and rigorous. Each evaluation should clearly contribute to learning and accountability. Hence evaluators must have personal and professional integrity and be guided by propriety in the conduct of their business.

Evaluators:

Must present information that is complete and fair in its assessment of strengths and weaknesses so that decisions or actions taken are well founded

Must disclose the full set of evaluation findings along with information on their limitations and have this accessible to all affected by the evaluation with expressed legal rights to receive results.

Should protect the anonymity and confidentiality of individual informants. They should provide maximum notice, minimize demands on time, and: respect people's right not to engage. Evaluators must respect people's right to provide information in confidence, and must ensure that sensitive information cannot be traced to its source. Evaluators are not expected to evaluate individuals, and must balance an evaluation of management functions with this general principle.

Evaluations sometimes uncover evidence of wrongdoing. Such cases must be reported discreetly to the appropriate investigative body. Evaluators should consult with other relevant oversight entities when there is any doubt about if and how issues should be reported.

Should be sensitive to beliefs, manners and customs and act with integrity and honesty in their relations with all stakeholders. In line with the UN Universal Declaration of Human Rights, evaluators must be sensitive to and address issues of discrimination and gender equality. They should avoid offending the dignity and self-respect of those persons with whom they come in contact in the course of the evaluation. Knowing that evaluation might negatively affect the interests of some stakeholders, evaluators should conduct the evaluation and communicate its purpose and results in a way that clearly respects the stakeholders' dignity and self-worth.

Are responsible for their performance and their product(s). They are responsible for the clear, accurate and fair written and/or oral presentation of study limitations, findings and recommendations.

Should reflect sound accounting procedures and be prudent in using the resources of the evaluation.

**UNEG NORMS AND STANDARDS FOR EVALUATION**  
(separate file)

## Annex 2: Evaluation Matrix

The evaluation matrix below served as a general guide for the evaluation. It provided directions for the evaluation; particularly for the collect of relevant data. It was used as a basis for interviewing people and reviewing project documents. It also provided a basis for structuring the evaluation report as a whole.

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
<i><b>Evaluation criteria: Relevance</b> - How does the Project relate to the main objectives of the UNFCCC, GEF and to the development challenges faced by the Government of Hungary for adapting to climate change?</i>				
<i>Is the Project relevant to UNFCCC and GEF objectives?</i>	<ul style="list-style-type: none"> <li>▪ How does the Project support the objectives of the UNFCCC</li> <li>▪ How does the Project support the climate change adaptation priority area objectives of the GEF?</li> <li>▪ Does the Project participate in the implementation of the UNFCCC in Hungary?</li> <li>▪ Is the GEF incremental cost principle being respected?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Level of coherence between project objectives and those of the UNFCCC</li> <li>▪ Degree of coherence between the project and national priorities, policies and strategies in the area of climate change adaptation</li> <li>▪ Level of coherence between the project and EU specific legislation (Directives)</li> <li>▪ UNFCCC status in Hungary</li> <li>▪ Extent to which the project is actually implemented in line with incremental cost argument</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project documents</li> <li>▪ National policies and strategies to implement the UNFCCC or related to environment more generally</li> <li>▪ Key government officials and other partners</li> <li>▪ UNFCCC web site</li> </ul>	<ul style="list-style-type: none"> <li>▪ Documents analyses</li> <li>▪ Interviews with government officials and other partners</li> </ul>
<i>Is the Project relevant to UNDP objectives?</i>	<ul style="list-style-type: none"> <li>▪ How does the Project support the objectives of UNDP in this sector?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Existence of a clear relationship between the project objectives and sustainable development objectives of UNDP.</li> <li>▪ Existence of a clear relationship between the project objectives and UNDP Strategic Results Framework</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project documents</li> <li>▪ UNDP strategies and programmes</li> <li>▪ National policies and strategies to implement the UNFCCC or related to environment more generally</li> <li>▪ Key government officials and other partners</li> </ul>	<ul style="list-style-type: none"> <li>▪ Documents analyses</li> <li>▪ Interviews with government officials and other partners</li> </ul>
<i>Is the Project relevant to Hungary development objectives?</i>	<ul style="list-style-type: none"> <li>▪ How does the Project support the objectives of the development of Hungary?</li> <li>▪ How country-driven is the Project?</li> <li>▪ Does the Project adequately take into account the national realities, both in terms of institutional framework and programming, in its design and its implementation?</li> <li>▪ To what extent were national partners involved in the design of the Project?</li> <li>▪ Were the GEF criteria for Project identification adequate in</li> </ul>	<ul style="list-style-type: none"> <li>▪ Degree to which the project support national environmental objectives</li> <li>▪ Degree of coherence between the project and national priorities, policies and strategies</li> <li>▪ Appreciation from national stakeholders with respect to adequacy of project design and implementation to national realities and existing capacities?</li> <li>▪ Level of involvement of Government officials and other partners into the project</li> <li>▪ Coherence between needs expressed by national stakeholders and UNDP-GEF criteria</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project documents</li> <li>▪ National policies and strategies (PRSP and NEP)</li> <li>▪ Key government officials and other partners</li> </ul>	<ul style="list-style-type: none"> <li>▪ Documents analyses</li> <li>▪ Interviews with government officials and other partners</li> </ul>

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
	view of actual needs?			
<i>Is the Project addressing the needs of target beneficiaries?</i>	<ul style="list-style-type: none"> <li>▪ How does the Project support the needs of target beneficiaries?</li> <li>▪ Is the implementation of the Project been inclusive of all relevant Stakeholders?</li> <li>▪ Are local beneficiaries and stakeholders adequately involved in Project design and implementation?</li> <li>▪ Is the project implementation and objectives realistic related to the specificity of a transitions state and the status of new EU member?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Strength of the link between expected results from the Project and the needs of target beneficiaries</li> <li>▪ Degree of involvement and inclusiveness of beneficiaries and stakeholders in Project design and implementation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Beneficiaries and stakeholders</li> <li>▪ Needs assessment studies</li> <li>▪ Project documents</li> </ul>	<ul style="list-style-type: none"> <li>▪ Document analysis</li> <li>▪ Interviews with beneficiaries and stakeholders</li> </ul>
<i>Is the Project internally coherent in its design?</i>	<ul style="list-style-type: none"> <li>▪ Is there a direct and strong link between expected results of the Project (log frame) and the Project design (in terms of Project components, choice of partners, structure, delivery mechanism, scope, budget, use of resources etc)?</li> <li>▪ Is the length of the Project conducive to achieve Project outcomes?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Level of coherence between Project expected results and Project design internal logic</li> <li>▪ Level of coherence between project design and project implementation approach</li> </ul>	<ul style="list-style-type: none"> <li>▪ Program and Project documents</li> <li>▪ Key project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>▪ Document analysis</li> <li>▪ Key Interviews</li> </ul>
<i>How is the Project relevant in light of other donors?</i>	<ul style="list-style-type: none"> <li>▪ With regards to Hungary as an EU funding eligible country, does the Project remain relevant in terms of areas of focus and targeting of key activities?</li> <li>▪ How do GEF-funds help to fill gaps (or give additional stimulus) that are crucial but are not covered by other donors?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Degree to which program was coherent and complementary to other donor programming in Hungary and regionally</li> <li>▪ List of programs and funds in which the future developments, ideas and partnerships of the project are eligible?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Other Donors' policies and programming documents</li> <li>▪ Other Donor representatives</li> <li>▪ Project documents</li> </ul>	<ul style="list-style-type: none"> <li>▪ Documents analyses</li> <li>▪ Interviews with other Donors</li> </ul>
<b>Future directions for similar Projects</b>	<ul style="list-style-type: none"> <li>▪ What lessons have been learnt and what changes could have been made to the Project in order to strengthen the alignment between the Project and the Partners' priorities and areas of focus?</li> <li>▪ How could the Project better target and address the priorities and development challenges of targeted beneficiaries?</li> </ul>		<ul style="list-style-type: none"> <li>▪ Data collected throughout evaluation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Data analysis</li> </ul>
<b>Evaluation criteria: Effectiveness – To what extent are the expected outcomes of the Project being achieved?</b>				
<i>How is the Project effective in achieving its expected outcomes?</i>	<ul style="list-style-type: none"> <li>▪ Is the Project being effective in achieving its expected outcomes? <ul style="list-style-type: none"> <li>○ Ecological and socio/economic resilience by increased understanding of lake and watershed processes viewed through the lens of vulnerability and adaptation strengthened;</li> <li>○ Capacity for formulating and implementing adaptive strategies compatible with sustainable development strengthened;</li> <li>○ Policy framework conducive to adaptive management with particular interest to institutional mechanisms and</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Adaptation strategies through alternatives economic development activities</li> <li>▪ Change in climate change adaptation practices</li> <li>▪ Change in capacity for information management: Knowledge acquisition and sharing; Effective data gathering, methods and procedures for reporting on vulnerability assessment, early warning and adaptation strategies.</li> <li>▪ Change in capacity for awareness raising <ul style="list-style-type: none"> <li>○ Stakeholder involvement and government awareness</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Project documents</li> <li>▪ Key stakeholders</li> <li>▪ Research findings</li> </ul>	<ul style="list-style-type: none"> <li>▪ Documents analysis</li> <li>▪ Meetings with main Project Partners including UNDP, Project Team, Gov. of Hungary and other Partners</li> <li>▪ Interviews with project beneficiaries</li> </ul>

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
<p><i>How is risk and risk mitigation being managed?</i></p> <p><b>Future directions for similar Projects</b></p>	<p>economic incentives and disincentives strengthened;</p> <ul style="list-style-type: none"> <li>○ Adaptation to the impacts of climate change through direct action in the form of pilot initiatives funded through LBDC's existing small grants facility and innovative financing mechanisms facilitated;</li> <li>○ Public and policymaker awareness of integrated vulnerability and adaptation approaches locally, nationally and internationally, including contribution to the GEP's project on the Adaptation Learning Mechanisms strengthened.</li> </ul>	<ul style="list-style-type: none"> <li>○ Change in local stakeholder behavior</li> <li>▪ Change in capacity in policy making and planning <ul style="list-style-type: none"> <li>○ Policy reform for climate change adaptation</li> <li>○ Legislation/regulation change to improve climate change adaptation</li> <li>○ Development of national and local strategies and plans supporting climate change adaptation</li> </ul> </li> <li>▪ Change in capacity in implementation and enforcement <ul style="list-style-type: none"> <li>○ Design and implementation of risk assessments</li> <li>○ Implementation of national and local strategies and action plans through adequate institutional frameworks and their maintenance</li> <li>○ Monitoring, evaluation and promotion of pilots</li> </ul> </li> <li>▪ Change in capacity in mobilizing resources <ul style="list-style-type: none"> <li>○ Leverage of resources</li> <li>○ human resources</li> <li>○ appropriate practices</li> <li>○ mobilization of advisory services</li> </ul> </li> </ul>		
	<ul style="list-style-type: none"> <li>▪ How well are risks and assumptions being managed?</li> <li>▪ What was the quality of risk mitigation strategies developed? Were these sufficient?</li> <li>▪ Are there clear strategies for risk mitigation related with long term sustainability of the project?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Completeness of risk identification and assumptions during Project planning</li> <li>▪ Quality of existing information systems in place to identify emerging risks and other issues?</li> <li>▪ Quality of risk mitigations strategies developed and followed</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project documents and evaluations</li> <li>▪ UNDP and project staff and Project Partners</li> </ul>	<ul style="list-style-type: none"> <li>▪ Document analysis</li> <li>▪ Interviews</li> </ul>
	<ul style="list-style-type: none"> <li>▪ What lessons have been learnt for the project to achieve its outcomes?</li> <li>▪ What changes could have been made (if any) to the design of the project in order to improve the achievement of the project's expected results?</li> <li>▪ How could the Project be more effective in achieving its results?</li> </ul>		<ul style="list-style-type: none"> <li>▪ Data collected throughout evaluation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Data analysis</li> </ul>
<p><b>Evaluation criteria: <i>Efficiency</i> - How efficiently is the Project implemented?</b></p>				
<p><i>Is Project support channeled in an</i></p>	<ul style="list-style-type: none"> <li>▪ Was adaptive management used or needed to ensure efficient resource use?</li> <li>▪ Did the Project logical framework and work plans and any</li> </ul>	<ul style="list-style-type: none"> <li>▪ Availability and quality of financial and progress reports</li> <li>▪ Timeliness and adequacy of reporting provided</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project documents and evaluations</li> <li>▪ UNDP, Gov. of Hungary and</li> </ul>	<ul style="list-style-type: none"> <li>▪ Document analysis</li> <li>▪ Key Interviews</li> </ul>

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
<i>efficient way?</i>	<p>changes made to them use as management tools during implementation?</p> <ul style="list-style-type: none"> <li>▪ Were the accounting and financial systems in place adequate for Project management and producing accurate and timely financial information?</li> <li>▪ Were progress reports produced accurately, timely and responded to reporting requirements including adaptive management changes?</li> <li>▪ Was Project implementation as cost effective as originally proposed (planned vs. actual)</li> <li>▪ Was the leveraging of funds (co-financing) happened as planned?</li> <li>▪ Were financial resources utilized efficiently? Could financial resources have been used more efficiently?</li> <li>▪ How was RBM used during program and Project implementation?</li> <li>▪ Were there an institutionalized or informal feedback or dissemination mechanisms to ensure that findings, lessons learned and recommendations pertaining to Project design and implementation effectiveness were shared among Project stakeholders, UNDP and GEF Staff and other relevant organizations for ongoing Project adjustment and improvement?</li> <li>▪ Did the Project mainstream gender considerations into its implementation?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Level of discrepancy between planned and utilized financial expenditures</li> <li>▪ Planned vs. actual funds leveraged</li> <li>▪ Cost in view of results achieved compared to costs of similar projects from other organizations</li> <li>▪ Adequacy of project choices in view of existing context, infrastructure and cost</li> <li>▪ Quality of RBM reporting (progress reporting, monitoring and evaluation)</li> <li>▪ Occurrence of change in project design/ implementation approach (ie restructuring) when needed to improve project efficiency</li> <li>▪ Existence, quality and use of M&amp;E, feedback and dissemination mechanism to share findings, lessons learned and recommendation on effectiveness of project design.</li> <li>▪ Cost associated with delivery mechanism and management structure compare to alternatives</li> <li>▪ Gender disaggregated data in project documents</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project personnel</li> <li>▪ Beneficiaries and Project partners</li> </ul>	
<i>How efficient are partnership arrangements for the Project?</i>	<ul style="list-style-type: none"> <li>▪ To what extent partnerships/linkages between institutions/ organizations were encouraged and supported?</li> <li>▪ Which partnerships/linkages were facilitated? Which one can be considered sustainable?</li> <li>▪ What was the level of efficiency of cooperation and collaboration arrangements? (between local actors, UNDP/GEF, the Government of Hungary, IISD and UNEP)</li> <li>▪ Which methods were successful or not and why?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Specific activities conducted to support the development of cooperative arrangements between partners,</li> <li>▪ Examples of supported partnerships</li> <li>▪ Evidence that particular partnerships/linkages will be sustained</li> <li>▪ Types/quality of partnership cooperation methods utilized</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project documents and evaluations</li> <li>▪ Project Partners</li> <li>▪ Beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>▪ Document analysis</li> <li>▪ Interviews</li> </ul>
<i>Does the Project efficiently utilize local capacity in implementation?</i>	<ul style="list-style-type: none"> <li>▪ Was an appropriate balance struck between utilization of international expertise as well as local capacity?</li> <li>▪ Did the Project take into account local capacity in design and implementation of the Project?</li> <li>▪ Was there an effective collaboration with scientific institutions with competence in climate change adaptation?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Proportion of total expertise utilized taken from Hungary</li> <li>▪ Number/quality of analyses done to assess local capacity potential and absorptive capacity</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project documents and evaluations</li> <li>▪ UNDP, Project Team and Project partners</li> <li>▪ Beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>▪ Document analysis</li> <li>▪ Interviews</li> </ul>
<b>Future directions for similar Projects</b>	<ul style="list-style-type: none"> <li>▪ What lessons can be learnt from the Project on efficiency?</li> <li>▪ How could the Project have more efficiently addressed its key priorities (in terms of management structures and procedures, partnerships arrangements etc...)?</li> </ul>		<ul style="list-style-type: none"> <li>▪ Data collected throughout evaluation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Data analysis</li> </ul>



Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
	<ul style="list-style-type: none"> <li>What changes could have been made (if any) to the Project in order to improve its efficiency?</li> </ul>			
<b>Evaluation criteria: <i>Impacts</i> - What are the potential and realized impacts of activities carried out in the context of the Project?</b>				
<i>How is the Project effective in achieving its long term objective?</i>	<ul style="list-style-type: none"> <li>Will the project achieve its long term goal that is to build on the results and significant tradition of scientific work in the Lake Balaton region, recently initiated research in Hungary focused on adaptation to climate change, as well as innovative approaches to integrated assessment of vulnerability to global change and the formulation of adaptive measures; in order to facilitate the development and implementation of effective adaptive strategies?</li> <li>Will the project achieve its objective that is to contribute to a better understanding of the Lake Balaton ecological and socio/economic system's vulnerability and resilience arising from multiple forces of global and local change, including land use, demographic, economic and climate change and build capacity for more effective policy making and adaptation measures in response?</li> </ul>	<ul style="list-style-type: none"> <li>Change in use and implementation of sustainable alternatives</li> <li>Change in capacity: <ul style="list-style-type: none"> <li>To pool/mobilize resources</li> <li>For related policy making and strategic planning,</li> <li>For implementation of related laws and strategies through adequate institutional frameworks and their maintenance,</li> </ul> </li> <li>Change to the quantity and strength of barriers such as change in <ul style="list-style-type: none"> <li>Knowledge about climate change and national incentives for climate change adaptation</li> <li>Cross-institutional coordination and inter-sectoral dialogue</li> <li>Knowledge of climate change adaptation practices by end users</li> <li>Coordination of policy and legal instruments incorporating climate change adaptation strategies</li> <li>Climate change adaptation economic incentives for Stakeholders</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Project documents</li> <li>Key Stakeholders</li> <li>Research findings; if available</li> </ul>	<ul style="list-style-type: none"> <li>Documents analysis</li> <li>Meetings with UNDP, Project Team and Project Partners</li> <li>Interviews with project beneficiaries and other stakeholders</li> </ul>
<i>How is the Project effective in achieving the objectives of the UNFCCC?</i>	<ul style="list-style-type: none"> <li>What are the impacts or likely impacts of the Project? <ul style="list-style-type: none"> <li>On the local environment;</li> <li>On poverty; and,</li> <li>On other socio-economic issues.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Provide specific examples of impacts at those three levels, as relevant</li> <li>List of potential structural funds (specific development funds for EU regions) to be used to assure long term sustainability of UNFCCC objectives</li> </ul>	<ul style="list-style-type: none"> <li>Project documents</li> <li>UNFCCC's documents</li> <li>Key Stakeholders</li> <li>Research findings</li> </ul>	<ul style="list-style-type: none"> <li>Data analysis</li> <li>Interviews with key stakeholders</li> </ul>
<b>Future directions for the Project</b>	<ul style="list-style-type: none"> <li>How could the Project build on its apparent successes and learn from its weaknesses in order to enhance the potential for impact of ongoing and future initiatives?</li> </ul>		<ul style="list-style-type: none"> <li>Data collected throughout evaluation</li> </ul>	<ul style="list-style-type: none"> <li>Data analysis</li> </ul>
<b>Evaluation criteria: <i>Sustainability</i> - Are the initiatives and results of the Project allowing for continued benefits?</b>				
<i>Are sustainability issues adequately integrated in Project</i>	<ul style="list-style-type: none"> <li>Were sustainability issues integrated into the design and implementation of the Project?</li> </ul>	<ul style="list-style-type: none"> <li>Evidence/Quality of sustainability strategy</li> <li>Evidence/Quality of steps taken to address sustainability</li> </ul>	<ul style="list-style-type: none"> <li>Project documents and evaluations</li> <li>UNDP personnel and Project Partners</li> </ul>	<ul style="list-style-type: none"> <li>Document analysis</li> <li>Interviews</li> </ul>

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
<i>design?</i>			<ul style="list-style-type: none"> <li>Beneficiaries</li> </ul>	
<i>Financial Sustainability</i>	<ul style="list-style-type: none"> <li>Did the Project adequately address financial and economic sustainability issues?</li> <li>Are the recurrent costs after Project completion sustainable?</li> </ul>	<ul style="list-style-type: none"> <li>Level and source of future financial support to be provided to relevant sectors and activities in Hungary after Project end?</li> <li>Evidence of commitments from government or other stakeholder to financially support relevant sectors of activities after Project end</li> <li>Level of recurrent costs after completion of Project and funding sources for those recurrent costs</li> </ul>	<ul style="list-style-type: none"> <li>Project documents and evaluations</li> <li>UNDP and project personnel and Project Partners</li> <li>Beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>Document analysis</li> <li>Interviews</li> </ul>
<i>Organizations arrangements and continuation of activities</i>	<ul style="list-style-type: none"> <li>Were the results of efforts made during the Project implementation period well assimilated by organizations and their internal systems and procedures?</li> <li>Is there evidence that Project partners will continue their activities beyond Project support?</li> <li>What degree is there of local ownership of initiatives and results?</li> <li>Were appropriate ‘champions’ being identified and/or supported?</li> </ul>	<ul style="list-style-type: none"> <li>Degree to which Project activities and results have been taken over by local counterparts or institutions/organizations</li> <li>Level of financial support to be provided to relevant sectors and activities by in-country actors after Project end</li> <li>Number/quality of champions identified</li> </ul>	<ul style="list-style-type: none"> <li>Project documents and evaluations</li> <li>UNDP and project personnel and Project Partners</li> <li>Beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>Document analysis</li> <li>Interviews</li> </ul>
<i>Enabling Environment</i>	<ul style="list-style-type: none"> <li>Were laws, policies and frameworks addressed through the Project, in order to address sustainability of key initiatives and reforms?</li> <li>Were the necessary related capacities for lawmaking and enforcement built?</li> <li>What is the level of political commitment to build on the results of the project?</li> </ul>	<ul style="list-style-type: none"> <li>Efforts to support the development of relevant laws and policies</li> <li>State of enforcement and law making capacity</li> <li>Evidences of commitment by the political class through speeches, enactment of laws and resource allocation to priorities</li> </ul>	<ul style="list-style-type: none"> <li>Project documents and evaluations</li> <li>UNDP and project personnel and Project Partners</li> <li>Beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>Document analysis</li> <li>Interviews</li> </ul>
<i>Institutional and individual capacity building</i>	<ul style="list-style-type: none"> <li>Is the capacity in place at the national and local levels adequate to ensure sustainability of the results achieved to date?</li> </ul>	<ul style="list-style-type: none"> <li>Elements in place in those different management functions, at the appropriate levels (national, district and municipal) in terms of adequate structures, strategies, systems, skills, incentives and interrelationships with other key actors</li> </ul>	<ul style="list-style-type: none"> <li>Project documents and evaluations</li> <li>UNDP and project personnel and Project Partners</li> <li>Beneficiaries</li> <li>Capacity assessments available, if any</li> </ul>	<ul style="list-style-type: none"> <li>Interviews</li> <li>Documentation review</li> </ul>
<i>Social and political sustainability</i>	<ul style="list-style-type: none"> <li>Did the Project contribute to key building blocks for social and political sustainability?</li> <li>Did the Project contribute to local Stakeholders’ acceptance of the new practices?</li> </ul>	<ul style="list-style-type: none"> <li>Example of contributions to sustainable political and social change in support of the convention</li> </ul>	<ul style="list-style-type: none"> <li>Project documents and evaluations</li> <li>UNDP and project personnel and Project Partners</li> <li>Beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>Interviews</li> <li>Documentation review</li> </ul>
<i>Replication</i>	<ul style="list-style-type: none"> <li>Were Project activities and results replicated elsewhere and/or scaled up?</li> <li>What was the Project contribution to replication or scaling up</li> </ul>	<ul style="list-style-type: none"> <li>Number/quality of replicated initiatives</li> <li>Number/quality of replicated innovative initiatives</li> </ul>	<ul style="list-style-type: none"> <li>Other donor programming documents</li> <li>Beneficiaries</li> </ul>	<ul style="list-style-type: none"> <li>Document analysis</li> <li>Interviews</li> </ul>

Evaluated component	Sub-Question	Indicators	Sources	Data Collection Method
<i>Challenges to sustainability of the Project</i>	of innovative practices or mechanisms that support the UNFCCC objectives?	<ul style="list-style-type: none"> <li>▪ Volume of additional investment leveraged</li> </ul>	<ul style="list-style-type: none"> <li>▪ UNDP and project personnel and Project Partners</li> </ul>	
	<ul style="list-style-type: none"> <li>▪ What are the main challenges that may hinder sustainability of efforts?</li> <li>▪ Have any of these been addressed through Project management?</li> <li>▪ What could be the possible measures to further contribute to the sustainability of efforts achieved with the Project?</li> </ul>	<ul style="list-style-type: none"> <li>▪ Challenges in view of building blocks of sustainability as presented above</li> <li>▪ Recent changes which may present new challenges to the Project</li> <li>▪ Education strategy and partnership with school, education institutions etc.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Project documents and evaluations</li> <li>▪ Beneficiaries</li> <li>▪ UNDP and project personnel and Project Partners</li> </ul>	<ul style="list-style-type: none"> <li>▪ Document analysis</li> <li>▪ Interviews</li> </ul>
<b>Future directions for the Project</b>	<ul style="list-style-type: none"> <li>▪ Which areas/arrangements under the Project show the strongest potential for lasting long-term results?</li> <li>▪ What are the key challenges and obstacles to the sustainability of results of the Project initiatives that must be directly and quickly addressed?</li> <li>▪ How can the experience and good accumulated project practices influence the strategies for climate change adaptation in Hungary?</li> <li>▪ Are the Hungary decision making institutions (Parliament, Government etc.) ready to improve their strategy for climate change adaptation?</li> </ul>		<ul style="list-style-type: none"> <li>▪ Data collected throughout evaluation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Data analysis</li> </ul>

### **Annex 3: List of Documents Reviewed**

- Bizikova Livia, Pinter Laszlo, February 8, 2008, *Investigating Stakeholder Decision Priorities for Adaptation to Climate Change in the Lake Balaton Recreational Area of Hungary*
- Bizikova Livia, Pinter Laszlo, Karoly Kutics, Vari Anna, April 2008, *Indicator System for the Lake Balaton Region*
- Bizikova Livia, Pinter Laszlo, April 2008, *Investigating Stakeholder Decision Priorities for Adapting to Climate Change in the Lake Balaton Recreational Area of Hungary – Summary of Workshops Held in Siofok, Balatonalmadi and Keszthely, Hungary during October 2007 – February 2008*
- Bizikova Livia, Pinter Laszlo, Karoly Kutics, Vari Anna, April 2008, *Indicator System for the Lake Balaton Region*
- Chatenoux Bruno, Richard Jean-Philippe, Lehmann Anthony, April 30, 2008, *1. Internet Map Server (IMS) & Related Meta-Database*
- Chatenoux Bruno, Lehmann Anthony, April 28, 2008, *Hydrological Modelling of the Lake Balaton Watershed Surface Waters*
- Chatenoux Bruno, Lehmann Anthony, April 28, 2008, *Course Material – SWAT Step by Step Project Creation*
- Cieleszky Istvan, March 31, 2008, *Auditor's Report*
- EnviroGRIDS, *Building Capacity for a Black Sea Basin Observation and Assessment System Supporting Sustainable Development*
- Ganty Claude, August 14, 2006, *Lake Balaton Watershed – Water Resources Indicators*
- Giuliani Gregory, Chatenoux Bruno, Lehmann Anthony, April 30, 2008, *2. Land Cover / Land Use & Climate Models*
- Karoly Kutics, February 2008, *Indicators and Complex Modeling*
- Karoly Kutics, March 31, 2008, *Integrated Model and Indicators*
- Karoly Kutics, *Indicator Analysis – Working Paper*
- Karoly Kutics, April 6, 2006, *Integrated Water Quality Modeling – The JICA Model*
- Karoly Kutics, June 2, 2006, *Concepts of Vulnerability Analysis of Lake Balaton*
- Karoly Kutics, July 2, 2008, *Scenario Workshop – Results of Indicators Analysis*
- Karoly Kutics, September 15, 2006, *Vulnerability of the Water Quality of Lake Balaton – Impact on Climate Change (some results of model analysis)*
- Lake Balaton Project, *Lake Balaton (Hungary) – Modelling Vulnerability to Climate Changes to Guide Regional Adaptation Projects*
- Lake Balaton Project, May 2006, *Inception Report*
- Lake Balaton Project, *2008 Annual Work Plan*
- Lake Balaton Project, *2007 Annual Work Plan*
- Lake Balaton Project, *2006 Annual Work Plan*
- Lake Balaton Project, *PIR 2007*
- Lake Balaton Project, *Quarterly Progress Report – January-March 2008 (9<sup>th</sup> Quarter)*
- Lake Balaton Project, *Quarterly Progress Report – October-December 2007 (Fourth Quarter 2007)*
- Lake Balaton Project, *Quarterly Progress Report – July-September 2007 (Third Quarter)*
- Lake Balaton Project, *Quarterly Progress Report – April-June 2007 (Second Quarter)*
- Lake Balaton Project, *Quarterly Progress Report – January-March 2007 (First Quarter 2007)*

Lake Balaton Project, *Quarterly Progress Report – October-December 2006 (Fourth Quarter)*

Lake Balaton Project, *Quarterly Progress Report – July-September 2006 (Third Quarter)*

Lake Balaton Project, *Quarterly Progress Report – April-June 2006 (Second Quarter)*

Lake Balaton Project, *Tripartite Review Report*

Lake Balaton Project, February 2008, *Project Management Board Meeting Minutes*

Lake Balaton Project, August 2007, *Project Management Board Meeting Minutes*

Lake Balaton Project, May 2007, *Project Management Board Meeting Minutes*

Lake Balaton Project, March 2007, *Project Management Board Meeting Minutes*

Lake Balaton Project, December 2006, *Project Management Board Meeting Minutes*

Lake Balaton Project, September 2006, *Project Management Board Meeting Minutes*

Lake Balaton Project, January 2008, *Teleconference Minutes*

Lake Balaton Project, April 2007, *Teleconference Minutes*

Lake Balaton Project, March 2007, *Bi-monthly Teleconference Minutes*

Lake Balaton Project, February 2007, *Bi-monthly Teleconference Minutes*

Lake Balaton Project, October 2006, *Indicators Teleconference Minutes*

Lake Balaton Project, October 2006, *IMS e-conference Minutes*

Lake Balaton Project, July 2006, *Strategic Committee Meeting Minutes*

Lake Balaton Project, June 2006, *Conceptual Framework and Indicators Meeting Minutes*

Lake Balaton Project, *Risk Log Matrix*

Lake Balaton Project, *State of Development of Outcome 1*

Lake Balaton Project, *Project Summary Presentation*

Lake Balaton Project, *Final Indicator List*

Lake Balaton Project, September 2007, *Presentation of Project to Ministry of Environment and Water*

Lake Balaton Project, *A Project Update*

Lake Balaton Project, *Capacity Building Workshop in the Balaton Region*

Lake Balaton Project, *SWAT Demo*

Lake Balaton Project, *LBDCA Presentation of Project to REC*

Lake Balaton Project, *Lake Balaton – Integrated Vulnerability Assessment, Early Warning and Adaptation Strategies Brochure*

LBDC, LBDCA, *Balaton Regional Development Strategy, 2007-2013 – Summary of draft version*

LBDC, LBDCA, *La Region du Balaton en Plein Developpement – Objectifs de Developpement, Opportunités d’Investissement*

LBDC, LBDCA, 2008, *Lake Balaton, The Natural Region – Environment, Society, Economy, Features, Objectives, Institutions – Brochure*

LBDC, LBDCA, *The Lake Balaton Development Council and the Lake Balaton Development Coordination Agency – Working Together for the Future of Lake Balaton – Brochure*

LBDCA, *Background Information on the Elite Survey Carried out in the Lake Balaton Resort Area*

LBDCA, IISD, UNEP/GRID, 2007, *Developing a Sustainability Indicator System for the Lake Balaton Region – First Project Report*

Ministry of Environment and Water, March 2007, *Getting Prepared to (Combat) Climate Changes in Hungary – Changes – Impacts – Responses – The Project “VAHAVA”*

OECD, November 2005, *Place-Based Policies for Rural Development – Lake Balaton, Hungary (Case Study)*

UNDP, July 2008, *UNDP-Hungary Related Project's Portfolio – Summary Database*

UNDP, GEF, *UNDP Project Document: UNDP-GEF Medium-Size Project (MSP) - Government of Hungary - United Nations Development Programme - Lake Balaton Integrated Vulnerability Assessment, Early Warning and Adaptation Strategies - PIMS 3334*

UNEP/DEWA/GRID, June 2007, *Lake Balaton Integrated Vulnerability Assessment, Early Warning and Adaptation Strategies - Quarterly Progress Report – April-June 2007*

UNEP/DEWA/GRID, *Lake Balaton Integrated Vulnerability Assessment, Early Warning and Adaptation Strategies – Quarterly Consultancy Schedule (QCS) 2/2007*

UNEP/DEWA/GRID, June 2007, *Invoice for QCS 2 (2<sup>nd</sup> Quarter 2007)*

UNEP/DEWA/GRID, *Adaptation Framework: SWAT*

UNEP/DEWA/GRID, *The GEO Data Portal Brochure*

UNEP/DEWA/GRID, December 2006, *Presentation of Project Progress to Steering Committee*

\_\_\_\_\_, *Modelling of Lake Balaton Water Quality*

\_\_\_\_\_, *HungClimate – Relative to Global (summary of the national climate change strategy)*

\_\_\_\_\_, *Some Existing Scenarios*

\_\_\_\_\_, *Tasks and Responsibilities of Implementing Partners*

\_\_\_\_\_, *Quarterly Consultancy Schedule – WCS no.1*

\_\_\_\_\_, *Contract for Partnership – LBDCa and UNEP/DEWA/GRID*

\_\_\_\_\_, *Contract for Consultancy – LBDCa and IISD*

**Main Web Sites Consulted:**

BalatonTrend: <http://test.balatontrend.org/>

GEF: <http://www.gefweb.org>

GEF Evaluation Office: <http://gefweb.org/MonitoringandEvaluation/MEAbout/meabout.html>

LBDCa IMS: <http://balaton.grid.unep.ch/ims/viewer.htm>

Lake Balaton Project on UNEP Web Site: <http://www.grid.unep.ch/activities/sustainable/balaton/index.php>

Lake Balaton Project on IISD Web Site: <http://www.iisd.org/measure/knowledge/national/balaton.asp>

Lake Balaton Project Web Site: <http://www.chrome.hu/bft/bam/public/home.php?m=0>

Ministry of Environment and Water (Hungary): <http://www.kvvm.hu/index.php?lang=2>

UNDP-GEF M&E: <http://www.undp.org/gef/05/monitoring/policies.html>

UNDP-GEF Adaptation Policy Frameworks: [http://www.undp.org/gef/adaptation/climate\\_change/APF.htm](http://www.undp.org/gef/adaptation/climate_change/APF.htm)

## Annex 4: Interview Guide

### Interview Guide

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**I. RELEVANCE** - *How does the Project relate to the main objectives of the UNFCCC, GEF and to the development challenges faced by the Government of Hungary for adapting to climate change?*

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- I.1. Is the Project relevant to United Nations Framework Convention on Climate Change (UNFCCC) and GEF objectives?
- I.2. Is the Project relevant to UNDP objectives?
- I.3. Is the Project relevant to Hungary development objectives?
- I.4. Does the Project address the needs of target beneficiaries?
- I.5. Is the Project internally coherent in its design?
- I.6. How is the Project relevant in light of other donors?

***Future directions for similar projects***

- I.7. What lessons have been learnt and what changes could have been made to the Project in order to strengthen the alignment between the Project and the Partners' priorities and areas of focus?
- I.8. How could the Project better target and address the priorities and development challenges of targeted beneficiaries?

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**II. EFFECTIVENESS** – *To what extent are the expected outcomes of the Project being achieved?*

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- II.1. How is the Project effective in achieving its expected outcomes?
  - Ecological and socio/economic resilience by increased understanding of lake and watershed processes viewed through the lens of vulnerability and adaptation strengthened.
  - Capacity for formulating and implementing adaptive strategies compatible with sustainable development strengthened.
  - Policy framework conducive to adaptive management with particular interest to institutional mechanisms and economic incentives and disincentives strengthened.
  - Adaptation to the impacts of climate change through direct actions in the form of pilot initiatives funded through LBDC's existing small grants facility and innovative financing mechanisms facilitated.
  - Public and policymaker awareness of integrated vulnerability and adaptation approaches locally, nationally and internationally, including contribution to the GEF's project on the Adaptation Learning Mechanisms enhanced.
- II.2. How is risk and risk mitigation being managed?

***Future directions for similar projects***

- II.3. What lessons have been learnt for the Project to achieve its outcomes?
- II.4. What changes could have been made (if any) to the design of the Project in order to improve the achievement of the Project' expected results?
- II.5. How could the Project be more effective in achieving its results?

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**III. EFFICIENCY** - *How efficiently is the Project implemented?*

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- III.1. Was adaptive management used or needed to ensure efficient resource use?

- III.2. Did the Project logical framework and work plans and any changes made to them use as management tools during implementation?
- III.3. Were the accounting and financial systems in place adequate for Project management and producing accurate and timely financial information?
- III.4. Were progress reports produced accurately, timely and respond to reporting requirements including adaptive management changes?
- III.5. Was Project implementation as cost effective as originally proposed (planned vs. actual)
- III.6. Was the leveraging of funds (co-financing) happening as planned?
- III.7. Were financial resources utilized efficiently? Could financial resources have been used more efficiently?
- III.8. How was RBM used during program and Project implementation?
- III.9. Were there an institutionalized or informal feedback or dissemination mechanism to ensure that findings, lessons learned and recommendations pertaining to Project design and implementation effectiveness were shared among Project stakeholders, UNDP and GEF Staff and other relevant organizations for ongoing Project adjustment and improvement?
- III.10. Did the Project mainstream gender considerations into its implementation?
- III.11. To what extent were partnerships/ linkages between institutions/ organizations encouraged and supported?
- III.12. Which partnerships/linkages were facilitated? Which one can be considered sustainable?
- III.13. What was the level of efficiency of cooperation and collaboration arrangements? (between local actors, UNDP/GEF, IISD, UNEP and the Government of Hungary)
- III.14. Was an appropriate balance struck between utilization of international expertise as well as local capacity?
- III.15. Did the Project take into account local capacity in design and implementation of the Project?

***Future directions for the Project***

- III.16. What lessons can be learnt from the Project on efficiency?
- III.17. How could the Project have more efficiently addressed its key priorities (in terms of management structures and procedures, partnerships arrangements etc...)?

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**IV. IMPACTS - *What are the potential and realized impacts of activities carried out in the context of the Project?***

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- IV.1. Will the project achieve its long term goal that is to build on the results and significant tradition of scientific work in the Lake Balaton region, recently initiated research in Hungary focused on adaptation to climate change, as well as innovative approaches to integrated assessment of vulnerability to global change and the formulation of adaptive measures in order to facilitate the development and implementation of effective adaptive strategies?
- IV.2. Will the project achieve its objective that is to contribute to a better understanding of the Lake Balaton ecological and socio/economic system's vulnerability and resilience arising from multiple forces of global and local change, including land use, demographic, economic and climate change and build capacity for more effective policy making and adaptation measures in response?
- IV.3. How is the Project effective in achieving the objectives of the UNFCCC such as impacts or likely impacts on the local environment; on poverty; and, on other socio-economic issues?

***Future directions for the Project***

- IV.4. How could the Project build on its apparent successes and learn from its weaknesses in order to enhance the potential for impact of ongoing and future initiatives?



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**V. SUSTAINABILITY** - *Are the initiatives and results of the Project allowing for continued benefits?*

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- V.1. Are sustainability issues adequately integrated in Project design?
- V.2. Did the Project adequately address financial and economic sustainability issues?
- V.3. Is there evidence that Project partners will continue their activities beyond Project support?
- V.4. Are laws, policies and frameworks being addressed through the Project, in order to address sustainability of key initiatives and reforms?
- V.5. Is the capacity in place at the national and local levels adequate to ensure sustainability of the results achieved to date?
- V.6. Did the Project contribute to key building blocks for social and political sustainability?
- V.7. Are Project activities and results being replicated elsewhere and/or scaled up?
- V.8. What are the main challenges that may hinder sustainability of efforts?

***Future directions for the Project***

- V.9. Which areas/arrangements under the Project show the strongest potential for lasting long-term results?
- V.10. What are the key challenges and obstacles to the sustainability of results of the Project initiatives that must be directly and quickly addressed?

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**VI. ANY OTHER COMMENTS ON THE PROJECT?**

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***Thank you very much for your input.***

## Annex 5: Evaluation Mission Agenda

June 29<sup>th</sup> to July 5<sup>th</sup>, 2008

Date and Time	Subject	Location
<b>Sunday June 29<sup>th</sup></b>		
11:50	JJ Bellamy: Arrival at Budapest Airport on AF 1694	Budapest airport – Ferihegy 2a
13:00	Arrival at the Hotel, Budapest	Best Western Hotel Art**** (www.hotelart.hu)
	Resting, sightseeing	
<b>Monday June 30<sup>th</sup> <u>Budapest and Arrival to Siófok</u></b>		
09:00	Meeting at the Hotel (Mr. Gábor Molnár and Mr. István Tőkés)	Best Western Hotel Art****, Budapest
10:00	Meeting with Dr. Mónika Rábai (Department responsible for climate change adaptation, Ministry of Environment and Water) and Dr. Miklós Zágoni (Adviser in climate change and adaptation to the ministry)	Ministry of Environment and Water
11:00	Dr. Krisztina Kiss, UNDP Liaison Officer, Dept. of International Organizations and Human Rights	Ministry of Foreign Affairs
12:00	Lunch	
12:45	Departure to Siófok	
14:00	Introductory meeting – Ms. Eva Varga	LBDCA Main Office
17:00	Arrival at the Hotel in Siófok	Park Hotel, Siófok
<b>Tuesday July 1<sup>st</sup> <u>Field Trip in the Lake Balaton Region</u></b>		
09:00	Departure from Siófok	LBDCA Main Office, Siófok
10:00	Visit Kis-Balaton area (Marshland and bird migratory reserve area under protection of the Ramsar Convention) Meeting with Ms. Zita Egerszegi	South-Balaton
11:00	Meeting with Dr. Zoltán Alföldi, Associate Professor Department of Plant Sciences and Biotechnology Faculty of Agriculture, Pannon University	Keszthely
13:00	Visit City of Keszthely	Keszthely
14:00	Lunch Meeting with Ms. Erszébet Székely, Association of Civil Organisations of Lake Balaton	Fonyód
15:30	Leave to Siófok	Fonyód
17:00	Meeting with project partners (Ms. Livia Bizikova, Mr. Laszlo Pinter, IISD)	LBDCA Main Office, Siófok
20:00	Dinner	Siófok
<b>Wednesday July 2<sup>nd</sup> <u>Project Board Meeting</u></b>		
09:00	Policy analysis workshop, scenario briefing, etc. for stakeholders/ expert groups ~ Meeting with Mr. István Kóbor, Central-Transdanubian Environmental and Water Authority	Kodolányi János Collage, Siófok
10:00	Visiting the sub-office of Central-Transdanubian Environmental and Water Authority in Siófok Meeting with Mr. Ferenc Sziszenstein Boat trip to the water-monitoring station located in the lake	Sub-office of Central-Transdanubian Environmental and Water Authority, Siófok
11:00	Meeting with Mr. Miklos Olah, LBDCA, Social Science Research Center	LBDCA Office, Balatonfüred

Date and Time	Subject	Location
13:30	Lunch	Balatonfüred
14:30	Leave for Siófok by boat	Balatonüred
15:30	Meeting with project partners : Mr. Anthony Leehman (UNEP) Ms. Livia Bizikova and László Pintér (IISD) as well as Ms. Krisztina Kiss and Mr. István Tőkés	LBDCA Main Office, Siófok
19:00	Dinner	Siófok
<b>Thursday July 3<sup>rd</sup> <u>Project Board Meeting</u></b>		
10:00	Presentations on project progress and results (LBDCA, IISD, UNEP) Outcomes by outcomes Meeting with Ms. Anna Vári (Hungarian Academy of Science)	LBDCA Main Office, Siófok
13:00	Lunch	Siófok
14:00	PMB meeting continues – preparing exit plan (Taks – deadline – responsible partner)	LBDCA Main Office, Siófok
17:00	Briefings, preparations for the meeting on Friday	LBDCA Main Office, Siófok
18:30	Dinner	Siófok
<b>Friday July 4<sup>th</sup> <u>Project Board Meeting</u></b>		
09:00	PBM Meeting, reporting and briefing.	LBDCA Main Office, Siófok
13:00	Lunch	
14:00	Conclusions	
15:00	Departure to Budapest	Best Western Hotel Art****, Budapest
<b>Saturday July 5<sup>th</sup></b>		
07:10	Departure from Budapest on AF 1095	

(During the days in Siófok Mr. Bellamy will have a desk with Internet outlet to carry out his work following his preference and timing)

## Annex 6: List of People Interviewed

Name	Position / Contact	Organization
Dr. Alföldi Zoltán	Associate Professor	Department of Plant Sciences and Biotechnology, Faculty of Agriculture, Pannon University
Ms. Bizikova Livia		IISD
Ms. Chachibaia Keti	Regional Technical Advisor	UNDP Regional Centre, Bratislava
Ms. Egerszegi Zita	Environmental Engineer	South-Balaton
Dr. Karoly Kutics	Consultant	K+F Consulting
Dr. Kiss Krisztina	UNDP Liaison Officer, Dept. of International Organizations and Human Rights	Ministry of Foreign Affairs
Mr. Kóbor István		Central-Transdanubian Environmental and Water Authority
Dr. Leehman Anthony	Head Environment Monitoring and Modelling Unit	UNEP
Dr. Molnár Gábor	Project Manager and Executive Director	LBDCA
Mr. Olah Miklos		LBDCA Office, Social Science Research Center, Balatonfüred
Dr. Pinter Laszlo	Director, Measurement and Assessment	IISD
Dr. Rábai Mónika	Jurist	Department responsible for climate change adaptation, Ministry of Environment and Water
Ms. Székely Erszébet		Association of Civil Organisations of Lake Balaton
Mr. Sziszenstein Ferenc		Sub-office of Central-Transdanubian Environmental and Water Authority, Siófok
Mr. Tőkés István	Consultant	
Ms. Tothova Klara	CST Environmental Officer	UNDP Regional Centre, Bratislava
Ms. Varga Eva		LBDCA
Dr. Vári Anna	Senior Research Fellow	Hungarian Academy of Science
Dr. Zágoni Miklós	Adviser in climate change and adaptation to the ministry	Ministry of Environment and Water

## Annex 7: Co-financing Table

### CO-FINANCING

Co financing (Type/ Source)	IA own Financing (mill US\$)		Government (mill US\$)		Other Sources* (mill US\$)		Total Financing (mill US\$)		Total Disbursement (mill US\$)	
	Proposed	Actual	Proposed	Actual	Proposed	Actual	Proposed	Actual	Proposed	Actual
Grant			3.000	0.300		2.700	3.000	3.000	3.000	0.500
Credits										
Loans										
Equity										
In-kind					0.065	0.065	0.065	0.065	0.065	0.040
Non-grant Instruments					0.025	0.025	0.025	0.025	0.025	
Other Types										
<b>TOTAL</b>			3.000	0.300	0.090	2.790	3.090	3.090	3.090	0.540

(\*) Source: Project Document, UNDP-PIR 2007 (as of the end of June 2007) and updates from LBDCA

- Other Sources refer to contributions mobilized for the project from other multilateral agencies, bilateral development cooperation agencies, NGOs, the private sector etc.
- “Proposed” co-financing refers to co-financing proposed at CEO endorsement.
- Describe “Non-grant Instruments” (such as guarantees, contingent grants, etc):
  - UNEP: \$25k in direct financial resources for fieldwork, meetings and travel costs.
- Explain “Other Sources of Co-financing”:
  - LBDCA: \$2.2M (small grant programme)
  - LBDCA: \$0.5M (monitoring system funded by LIFE)
  - IISD: \$40k (in-kind)
  - UNEP: \$25k (in-kind)
  - UNEP: \$25k (cash for project related costs)