

GLOBAL ENVIRONMENT FACILITY
UNITED NATIONS OFFICE FOR PROJECT SERVICES

**ENVIRONMENTAL MANAGEMENT AND PROTECTION OF
THE BLACK SEA
(RER/93/G31)**

PROJECT EVALUATION REPORT

4 February 1997

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1. OBJECTIVES OF THE EVALUATION

The short-term consultant (Dr. L. Jeftic) was contracted by UNOPS to carry out the requested evaluation of the GEF Project “Environmental Management and Protection of the Black Sea” (RER/93/G31).

The objectives of the evaluation were:

- for the 34 activities proposed in the Project Evaluation Report (November 1995) to be carried out by 31 October 1996, to make comparison with the outputs attained by 31 October 1996;
- for the proposed outputs of each of the 31 activities of the 3 main objectives contained in the original document RER/93/G31, to make comparison with outputs attained by 31 October 1996;
- to make an overview of meetings, training and working parties in the framework of the Project in the period from December 1995 to 31 October 1996;
- to present status report on national/regional assessments;
- to make an overview of the World Bank executed components of the Project for the entire period of the Project;
- to present the original and revised allocations of BSEP GEF contribution to the Project for the entire period of the Project;
- to present the budget covering UNDP contribution for the entire period of the Project; and
- to present the World Bank managed budget covering the World Bank component for the entire period of the Project.

The evaluation was carried out in the period from 8 January to 4 February 1997 (visit to PCU from 18 to 22 January 1997).

2. INTRODUCTION

The Convention on the Protection of the Black Sea against Pollution (Bucharest Convention) was signed in April 1992.

The Bucharest Convention was supplemented by the Ministerial Declaration on the Protection of the Black Sea (Odessa Declaration) which was adopted in April 1993.

The Global Environment Facility (GEF) was asked to provide financial support to the objectives of the Bucharest Convention, through the creation of the Black Sea Environmental Programme (BSEP). The programme was agreed upon and signed in June 1993.

In order to implement BSEP, the Project for the Environmental Management and Protection of the Black Sea (1993-1996) was funded through project document RER/93/G31.

The Project formulated following three main objectives, each containing number of activities:

- Strengthen and create regional capacities for managing the Black Sea ecosystem (11 activities);
- Develop an appropriate policy and legislative framework for the assessment, control and prevention of pollution and maintenance and enhancement of biodiversity (12 activities); and
- Facilitate the preparation of sound environmental investments (8 activities).

This project was developed to provide a catalyst for moving towards a healthy and sustainable use of natural resources in the Black Sea. The project was planned to strengthen regional capacities for the management of the Black Sea ecosystem, to develop an appropriate policy and legislative framework for the assessment, control and prevention of pollution and to move towards joint protection of the environment by the coastal countries of the Black Sea.

3. UPDATE OF THE PROJECT EVALUATION REPORT (NOV. 1995)

3.1 Assessment of the activities identified by the Project Evaluation Report to be implemented by 31 October 1996

In order to assess the implementation of the project for the Environmental Management and Protection of the Black Sea (RER/93/G31) an evaluation team was contracted in October/November 1995 by UNOPS. The evaluation was carried out from 6 to 20 November 1995 and results of the evaluation were published as a Project Evaluation Report issued on 20 November 1995.

For the purpose of the present evaluation the Project Evaluation Report was studied carefully and all activities which were identified by the report and suggested to be implemented by the end of the project were extracted and are presented in the first column of the Annex I, Table 1 (information in brackets for each of the activities indicate page number and paragraph number of the Project Evaluation Report document issued in November 1995).

The implementation of the each of the 34 activities, listed in the Table 1, was assessed by comparing planned outputs with the real outputs of the activity and results of the assessment were presented in the second column of the Table 1.

The degree of the completion of each of the activities was done and results are presented in percents of the total completion in the third column of the Table 1.

The analysis of the assessment shows that 19 out of 34 activities had the degree of implementation of 100 % and 25 out of 34 activities had the degree of implementation of 70 % or more. There were 9 activities which had degree of implementation between 0 and 50 % and for each of these activities reasons will be given, in the text bellow, for such low degree of implementation.

3.2 Reasons for the low degree of implementation of some activities

Activity 1 - Need to strengthen cooperation with work to protect Danube and Dnepr from pollution (p.11, para 3); integration of the Danube river delta into the BSEP (p.27, para 1); and improved communication among different, spatially overlapping GEF projects (p.27, para 1)

The staff of the Black Sea PCU were unable to participate in Danube Task Force during 1996 due to decreased staffing and the heavy workload involved in TDA preparation. The Danube and Black Sea representatives met on three occasions, in January (Helsinki), February (New York) and October (Istanbul), and documents were exchanged on a regular basis. There were insufficient funds to implement any joint activities in 1996. Articles were presented in each others newsletters.

PCU staff were not invited to any of the Dnepr meetings by UNDP in 1996 and information exchange has been minimal.

Despite all efforts at liaising with the World Bank - implemented Danube Delta project, neither the Black Sea nor the Danube Basin programmes have managed to convince them to attend coordination meetings.

Activity 3 - To activate Danube countries, non-member countries of the Black Sea Programme, to share interest to protect the Black Sea (p.11, para 3)

The funding situation of the PCU was very poor following the completion of the 3 year GEF cycle (30 June 1996). Very large uncertainties continued regarding approval of new GEF funds. Contracts were renewed almost on a month by month basis. Two key staff members left and were not replaced (environmental economist, institutional development officer) some temporary staff were recruited to cover specific tasks but remaining professional staff (two, plus one JPO) were clearly under considerable stress and had to organize the October Ministerial Conference without additional support.

Activity 4 - To strengthen UNEP's role (p.11, para 8)

The participation of UNEP's Water Branch was minimal due to their own lack of funding. The UNEP GEF International Waters Coordinator took an active interest in the programme and provided considerable personal expertise in the SAP process.

Activity 5 - To join efforts between IAEA, IOC and UNEP in monitoring activities and data quality assurance (p.12, para 1)

The agencies continued to cooperate within the existing framework but the lack of new funding impeded an expansion of cooperation. This issue however, is outside the scope of the GEF Project Document and does not reflect upon overall project implementation.

Activity 6 - To improve cooperation with WMO, WHO and FAO (p.12, para 1)

No funding was available to increase existing Inter-Agency Agreements with these UN Agencies. Ironically, IMO did not use all of the funding made available to them under the original \$ 50,000 agreement.

Activity 8 - Closer cooperation with international NGOs (p. 12, para 3)

Interest was expressed by IUCN and WWF in expanding cooperation but no further project funds were made available from GEF for this purpose.

Activity 9 - Establishment of the Commission in Istanbul by the end of 1995 (p.12, para 4)

Despite several rounds of negotiations the Secretariat is still not in place. The only remaining obstacle is a legal dispute between Ministries of Foreign Relations over the diplomatic privileges and immunities within the host country agreement. This should be resolved by February 1997. The slow speed of negotiations is, nevertheless, extremely disappointing. The matter is obviously beyond the control of the BSEP or its PCU.

Activity 23 - Preparation of background studies in the framework of BSEPS (p.20, para 8)

The scope and complexity of some of the valuation studies exceeds the capacity of the PCU staff or most regional consultants. It has been very difficult to gather appropriate data for the international consultants due to limited funding and time. Some of the completed studies (e.g. Health Costs) are of unacceptable quality and were rejected by the reviewers.

Activity 25 - Preparation of the Regional Report, presenting at the sectorial level conclusions and recommendations concerning economically flexible approach to sustainable development of Black Sea marine and coastal areas (p. 21, para 2)

The implementing agency for this report, the World Bank, ran out of funds before the end of the project and was unable to conclude this activity. Much of the work was already incorporated in the TDA.

4. EVALUATION OF THE PROJECT “ENVIRONMENTAL MANAGEMENT AND PROTECTION OF THE BLACK SEA” (RER/93/G31)

4.1 Assessment of the activities and outputs

The Project “Environmental Management and Protection of the Black Sea” (RER/93/G31) was implemented through the original document and its revision which covered the period from July 1993 to October 1996.

In order to assess the implementation of the project, all 31 activities of the 3 main objectives, with corresponding outputs (Annex II, Tables 2-4, first two columns) were reviewed. Each of the 31 activities listed in Tables 2-4 was assessed by comparing planned outputs (second column) with the real outputs attained by October 1996. Results of the assessment were presented in the third column of Tables 2-4. The degree of completion of each of the activity is presented in the fourth column of Tables 2-4.

The analysis of the assessment shows that 18 out of 31 activities had the degree of implementation of 100 % and 26 out of 31 activities had the degree of implementation of 70 % or more. There were 5 activities which had degree of implementation between 0 and 50 % and for each of these activities reasons will be given for such low degree of implementation.

4.2 Reasons for the low degree of implementation of some activities

Table 2 - Activity 7 - Development and implementation (by 1996) of national and regional contingency plans identified by the Bucharest Convention (including the provision of equipment) for emergency response to pollution

It became clear during the implementation of the project that the process of developing contingency plans required considerably more time and money than that available through the project. Work therefore focused on assessing the current situation, capacity building, establishing guidelines for regional and national plans and establishing stronger links with the private sector.

Table 3 - Activity 6 - Implementation of full monitoring systems for priority pollutants (defined in the 1992 Constanta workshop), for biological indicators of pollution, biodiversity decline for fish stocks and for endangered species and habitats

The delay was for the following two reasons:

- the establishment of monitoring laboratories with equipment, quality assurance, etc. is a lengthy process. The equipment was sometimes delivered in the second year of the project (customs delays were rather long). In the case of the equipment delivered

from the EU, delays were even longer and, in some cases (Romania and Bulgaria), promised supplies did not arrive at all; and

- Governments were unable to finance sampling programmes for Bulgaria, Russia, Turkey and Ukraine. In the case of Ukraine, the Activity Centre used its own resource to finance an estuarine monitoring programme. The problem of lack of government funding is a serious one and contradicts the original commitments.

Table 4 - Activity 4 - Development of a priority investment plan, for inclusion in the BSEP through: i) thematic studies to develop: least cost strategies for reducing major pollutants affecting the Black Sea; national plans for urgent enhancement of harbour reception facilities and a master plan for drinking water supply and extension; ii) localized studies of selected “hot spots” to determine investments priorities; iii) combination of the results of i) and ii) to determine a phased priority investment plan that is technically, economically, financially and institutionally feasible; and iv) projects of high priority, identified through the urgent investment portfolio activities, but excluded from the portfolio

The view of the implementing agency (the World Bank) was that they were unable to implement the PIP as originally proposed. Late in the second year of the project (1995) there was a decision to transfer most of the responsibility for this project to the PCU under the new agreed title, Black Sea Environmental Priorities Study (BSEPS). The implementation of this complex project thus began very late (early 1996) with the help of a group of Polish consultants recommended by the Programme Officer of the Bank. Some of the studies could not be implemented because of the extremely ambitious original proposals and inadequate funding.

Table 4 - Activity 5 - Development of the biodiversity investment plan

The biodiversity investment plan, implemented through the World Bank, was not completed at the time of the Ministerial Conference. The draft Plan was not accepted by the internal reviewers and a new version is currently being prepared.

Table 4 - Activity 7 - Promotion of transfer and development of appropriate technologies for pollution control, aquaculture, tourism, biodiversity enhancement and the sustainable exploitation of natural resources

This activity was regarded as of low priority by the GEF partners and the Steering Committee, and resources could not be mobilized to implement it.

5. OTHER INDICATORS OF THE IMPLEMENTATION OF THE PROJECT

5.1 Overview of meetings, training and working parties

An overview of meetings, training and working parties in the framework of the Black Sea Environmental Programme, held in the period December 1995 - October 1996 is presented in Annex III, Table 5.

An impressive number of 39 events, of which 23 meetings, 7 workshops, 4 Working Parties, 3 training courses and 2 Conferences took place for a period of 11 months. Over 600 participants from all Black Sea countries did participate in these events.

Such meetings provide an excellent opportunity for the exchange of information and experience and are greatly appreciated by most of the participants, particularly from the countries where in the past opportunities for the international contacts were very limited.

5.2 Status report on national/regional assessments

Regular Status Report on national/regional assessments is presented in Annex IV, Table 6.

An analysis of the Table shows that out of 78 national assessments 71 were completed, 6 are underway and only 1 study was not contemplated. This is certainly remarkable achievement for a region where environmental management was practically non existent at the beginning of the project.

From the planned 13 assessments at the regional level 10 were completed, one is being prepared for publication, funds are to be found for one, and one was incorporated in the second GEF Project.

These assessment documents (in total 81 document) provide wealth of information on the state of the various components of the Black Sea and these documents were the base for the preparation of the Transboundary Diagnostic Analysis for the Black Sea.

5.3 Overview of the World Bank executed components of the Project

The World Bank was responsible for the execution of over a third of the funds of the Project. The World Bank executed programme did include following four components: (i) the Urgent Investment Portfolio; (ii) the Black Sea Environmental Priorities Study; (iii) Integrated Coastal Zone Management (ICZM); and (iv) Biodiversity. The status, as provided by the World Bank, of the main activities undertaken under these four components is presented in the Annex V, Table 7.

5.4 Original and revised allocation of BSEP budget covering GEF contribution

Annexes VI and VII of this evaluation are presenting:

- original allocation of BSEP budget covering GEF contribution for environmental management and protection of the Black Sea (Annex VI, Table 8); and
- revised allocation of BSEP budget covering GEF contribution for environmental management and protection of the Black Sea (Annex VII, Table 9).

Comparing the original allocation with the revised(final) allocation shows that allocation for personnel was the same for original and revised allocation, for subcontracts 6.5 % less was allocated in the original allocation, for training/fellowships 44 % more was allocated in the original allocation, for equipment 20 % less was allocated in the original allocation, and for miscellaneous 23 % more was allocated in the original allocation. Concerning the budget components “training/fellowships” and “subcontracts” it should be pointed out that the budget does not reflect fully the real situation since the training was also provided within the framework of subcontracts. Regarding the annual allocations, at the beginning, during the first two years of the project (1993/1994), significantly less was spent than allocated, but in the last two years of the project (1995/1996) expenditures significantly rose so that over the four year period original allocations and the real expenditures are the same.

5.5 Project budget covering UNDP contribution

Annex VIII of this evaluation presents Project Budget covering UNDP contribution for the entire period of the project.

Total UNDP contribution to this project was 7.9054 million of US \$, of which 1.7802 million was spent on personnel, 3.4009 million on subcontracts, 0.7781 million on fellowships, 1.6633 million on equipment, and 0.2829 million on miscellaneous expenses. By year 2.6799 million was spent in 1994, 2.4682 million in 1995, 2.4143 million in 1996, and 0.343 million will be spent in 1997 for equipment.

5.6 World Bank managed budget covering the World Bank component

Annex IX of this evaluation presents the World Bank managed Black Sea Environment Programme Budget. Received data unfortunately did not cover the whole 1996 and therefore only data for the first half of 1996 are presented.

Comparing the total expenditures (US\$ 1,696,786.0) with the total expenditures reported in the evaluation report of Nov. 1995 (US\$ 669,000) shows that 1 million dollars were spent in the period between Nov. 1995 and mid-1996. Unfortunately it was not possible to make more detailed analysis because of incomplete data.

6. OVERALL ASSESSMENT

The overall assessment of the implementation of activities identified by the Project Evaluation Report of 20 November 1995, and overall assessment of activities and outputs listed in the original project document is that majority of activities achieved high degree of implementation.

For the activities which did not achieve the satisfactory degree of implementation the main reasons were:

- funds not available on time;
- due to uncertain situation regarding funding of the project two professional staff members left the PCU;
- in some instances the involvement of some international partners was not as expected; and
- due to considerable economic difficulties of several countries, their involvement and implementation of activities was lower than declared commitment.

In spite of low degree of implementation of 14 activities out of 65 activities, overall assessment is that the project achieved outstanding results particularly when taking into account constraints in financial or human resources.

As a most outstanding and most important achievement could be singled out the preparation, and even more so the adoption by the ministers of the each of the Black Sea countries, of the Transboundary Diagnostic Analysis and the Strategic Action Plan for the Black Sea. These two documents contain enough strategic actions for at least the next ten years of joint and concerted efforts of the Black Sea countries and the international community. The coordinator of the PCU and its staff should be congratulated for such an outstanding achievement.

Comparing the results achieved in the implementation of the project with the limited number of staff members, which was even reduced in 1996, draws to an unequivocal conclusion that the coordinator of the PCU did achieve a maximum output out of his team with remarkable results.

Approach followed by PCU for the development and implementation of BSEP could be used as a model in other regions of the world.

Bearing in mind the limited time and financial resources of the Project, it is remarkable that the activities were implemented to the reported level. Three years for a programme of such complexity is too short and this kind of regional-multinational projects should be of a five years duration.

There is a considerable risk for this project that unless the activities will be continued through the Commission, that the impetus might be lost and that the positive results will erode, making all efforts almost useless.