Independent UNIDO Country Evaluation

INDIA



UNITED NATIONS
INDUSTRIAL DEVELOPMENT ORGANIZATION

UNIDO EVALUATION GROUP

INDEPENDENT COUNTRY EVALUATION INDIA

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION
Vienna, 2011

Distr. GENERAL
ODL/EVA/10/R.36
June 2011

Original: English

Contents

Acknowledgements

The evaluators acknowledge with thanks the information provided by numerous individuals interviewed in India and at UNIDO Headquarters and the support received from the staff of the UNIDO Regional Office in New Delhi.

Abbreviations and acronyms

ACMA	Automotive Components Manufacturers Association of India
ARL	Account Recoverable Locally
BAT/BEP	Best Available Technologies/Best Environmental Practices
BEE	Bureau of Energy Efficiency
CBM	Coal Bed Methane
CBTC	Cane and Bamboo Technology Centre, Guwahati
CBWTF	Common biomedical waste treatment facility
CDA	Cluster Development Agent
CGRI	Central Glass and Ceramic Research Institute
CGTMSE	Credit Guarantee Fund Trust for Micro and Small Enterprises
CII	Confederation of Indian Industries
CIL	Coal India Ltd
CMPDI	Central Mine Planning and Design Institute Ltd
CO_2e	Equivalent carbon dioxide
CP	Country Programme
CPRI	Central Power Research Institute
CSD	Commission on Sustainable Development
CSF	Country Service Framework
CT	Cluster Twinning
CTC	Carbon tetrachloride
CTA	Chief Technical Adviser
DFID	UK Department for International Development
DIPP	Department of Industrial Policy and Promotion (Ministry of Commerce and Industry)
EE/RE	Energy Efficiency and Renewable Energy
EGM	Expert Group Meeting
ESCAP	Economic and Social Council for Asia and Pacific
FDI	Foreign Direct Investment
FO	Field Office
FSP	Full size project
GDP	Gross Domestic Product
GEF	Global Environment Facility
GF	Global Forum
GHG	Greenhouse gas
GoI	Government of India
HQ	Headquarters

IBFL	International Business Leaders Forum
ICAMT	International Centre for the Advancement of Manufacturing Technology
ICDP	Integrated Cluster Development Project
IDF	Industrial Development Fund
IFLMEA	Indian Finished Leather Manufacturers and Exporters Association
ILO	International Labour Organization
INCPC	India National Cleaner Production Centre
IPICOL	Industrial Promotion and Investment Corporation of Orissa
IREDA	Indian Renewable Energy Development Agency
ISF	Indian Shoe Federation
ITPO	Investment and Technology Promotion Office
JETRO	Japan External Trade Organization
JPO	Junior Professional Officer
LNG	Liquefied Natural Gas
MCGS	Mutual Credit Guarantee Scheme
MDG	Millennium Development Goals
MNRE	Ministry of New and Renewable Energy
MoC	Ministry of Coal
MoEF	Ministry of Environment and Forests
MoP	Ministry of Power
MoU	Memorandum of Understanding
MP	Montreal Protocol
MSME	Ministry of Micro, Small and Medium Enterprises
MWh	Megawatt hour
NCCBM	National Council for Cement and Building Materials
NEC	North Eastern Council
NIP	National Implementation Plan
NMCC	National Manufacturing Competitiveness Council
NMCP	National Manufacturing Competitiveness Programme
NPC	National Productivity Centre
OECD-DAC	Organization of Economic Cooperation and Development – Development Cooperation Directorate
OEM	Original Equipment Manufacturers
PCB	Polychlorinated biphenyls
PMIS	Project Management Information System
POPs	Persistent Organic Pollutants
PPG	Project Preparation Grant
PPP	Public Private Partnership

PSD	Private Sector Development
PTC	Programme Development and Technical Cooperation Division
PwC	Pricewaterhouse and Coopers
RBM	Results Based Management
RECP	Resource Efficient and Cleaner Production
RENPAP	Regional Network on Pesticides for India and the Pacific
RO	Regional Office
SAARC	South Asian Association for Regional Cooperation
SACEP	South Asia Co-operative Environment Programme
SECO	Swiss State Secretariat for Economic Affairs
SHG	Self-Help Group
SIDB	Small Industries Development Bank of India
SME	Small and Medium Enterprises
SPX	Subcontracting and Partnership Exchange
TC	Technical Cooperation
TERI	The Energy and Resources Institute
TOR	Terms of Reference
TQM	Total Quality Management
UCSSIC	UNIDO Centre for South-South Industrial Cooperation
UNCED	United Nations Conference on Environment and Development
UNCT	United Nations Country Team
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization
URO	UNIDO Regional Office
VFD	Variable frequency drives
VSD	Variable speed drives
WB	World Bank
XIMB	Xavier Institute of Management, Bubaneshwar

Glossary of evaluation terms

Term	Definition
Baseline	The situation, prior to an intervention, against which progress can be assessed.
Effect	Intended or unintended change directly or indirectly due to an intervention.
Effectiveness	The extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.
Efficiency	A measure of how economically inputs (through activities) are converted into outputs.
Impact	Positive and negative, intended and non-intended, directly and indirectly, long term effects produced by a development intervention.
Indicator	Quantitative or qualitative factors that provide a means to measure the changes caused by an intervention.
Intervention	An external action to assist a national effort to achieve specific development goals.
Lessons learned	Generalizations based on evaluation experiences that abstract from specific to broader circumstances.
Logframe (logical framework approach)	Management tool used to improve the design of interventions, most often at the project level. It involves identifying strategic elements (inputs, outputs, outcomes and impact) and their causal relationships, indicators, and the assumptions or risks that may influence success and failure. It thus facilitates planning, execution and evaluation of a development intervention. Related term: results based management (RBM).
Outcomes	The achieved or likely effects of an intervention's outputs.
Outputs	The products in terms of physical and human capacities that result from an intervention.
Relevance	The extent to which the objectives of an intervention are consistent with the requirements of the end-users, government and donor's policies.
Risks	Factors, normally outside the scope of an intervention, which may affect the achievement of an intervention's objectives.
Sustainability	The continuation of benefits from an intervention, after the development assistance has been completed
Target group	The specific individuals or organizations for whose benefit an intervention is undertaken.

Executive summary

Background and introduction

A mid-term evaluation of UNIDO's Country Programme (CP) in India was proposed by UNIDO's Regional Strategies and Field Operations Division and a country evaluation included in the ODG/EVA Work Programme 2010/2011, approved by the Executive Board. The mid-term CP evaluation forms part of a wider country evaluation of UNIDO's presence in India. Thus, in addition to assessing country programme instruments this evaluation includes reviews of the performance of the Field Office, Global Forum activities and stand alone projects. The evaluation was carried out in accordance with the ToR for the evaluation (provided in Annex A), between November 2010 and February 2011. It was conducted by a team of independent evaluators: Ms. M. de Goys, Director ODG/EVA, UNIDO, Mr. N. P. H. Kannimel and Mr. P.K. Chaubey, national evaluation consultants and Ms. L. van Oyen and Ms. C. Dupont, international evaluation consultants. It encompassed a two week field mission to India in November 2010.

The main purpose of the evaluation was to assess the relevance, ownership, effectiveness, efficiency, sustainability and actual/prospective impact of the programme as a whole as well as of individual projects selected based on size of funding and strategic importance. The assessment covered operationally closed, ongoing and pipeline projects and was forward looking, i.e., seeking to identify good practices and areas for improvement, as well as lessons for wider applicability.

The country evaluation is particularly relevant as India is a major donor to UNIDO and hosts one of its largest technical cooperation programmes. The present UNIDO Country Programme 2008-2012 has a planning figure of around USD 45 million and actual allotments amount to more than USD 30 million. It encompasses projects funded by the Government of India (GoI) and a substantial portfolio of projects financed by the Montreal Protocol (MP) and the Global Environment Facility (GEF).

Together projects relating to Environment & Energy (E&E) represent 70% of the total UNIDO portfolio in India. Out of these, 45% aim at supporting India to meet its international obligations, namely the implementation of the Stockholm Convention on Persistent Organic Pollutants and the Montreal Protocol on Ozone Depleting Substances. Other projects target cleaner production and energy efficiency. The Ministry of Environment and Forests is the counterpart of the largest part of the E&E portfolio in financing terms (about 66%).

The Private Sector Development (PSD) related support covered a relatively small part of CP interventions in budgetary terms (about 19%), involving a range of large and small scale projects with different objectives, approaches, sectoral and geographic coverage and institutional partners. Apart from funding by Italy and

the UK in the context of the current CP, the trend for India is to increasingly self-finance UNIDO interventions. The fields covered were investment promotion, cluster development support and enterprise upgrading efforts, in particular in the automotive component sector. Projects in the area of handicrafts focused in particular on the cane and bamboo and brass and bell metal sectors.

The Regional Office

Central to the implementation of the CP is the UNIDO Regional Office (RO) in India. The evaluation found that this is a dynamic and innovative office that has experienced new ways of administrating projects and established related benchmarks in many areas. The Office provides valuable support to technical cooperation delivery and has contributed to global forum events. The assignment of a communications officer has increased the visibility of UNIDO in India and many high quality publications have been developed but the advocacy function of these publications could be reinforced.

Relevance and design issues

The CP is highly relevant and aligned to national priorities and strategies including the 11th Five Year Plan and its focus on inclusive growth, industrial competitiveness in priority sectors such as automotive components, environmental concerns and energy conservation. Overall, the degree of national ownership was high, as demonstrated by the involvement of the Indian stakeholders in programme/project design and implementation, in addition to national/state level funding.

It was well designed although the structure of the components and the underlying logic could have been made clearer. The document was aligned to UNIDO's strategic priorities and findings of past evaluations had been taken into consideration.

One exception is the Coal Bed Methane Recovery project, which, while extremely relevant to India and initiated by the GoI itself, does not really fit in the overall programme nor with UNIDO core competencies.

There is a link to UNDAF in the document, albeit not very specific and there is a discrepancy between UNIDO's projects and related outcomes and the UNDAF outcomes and there is limited contribution of UNIDO to UNDAF so far. Economic growth is, at the present time, not an UNDAF objective.

Efficiency

UNIDO's support has generally been of high quality and UNIDO's expertise is recognized and estimated to generate value added. The intention of the CP was to have a less fragmented and more integrated programme than what was the case under the previous Country Service Framework but the CP still covers a

wide range of different projects scattered across the country, with some but limited collaboration between them and thus limited synergy effects, notwithstanding efforts in search of inter-branch cooperation, such as in the case of the Consolidated project for SME.

Many projects have benefited from active involvement of counterpart ministries (including financing), which has contributed to a high level of national ownership and efficiency in implementation but the respective roles of UNIDO versus national stakeholders have not always been properly defined. Extensive use has been made of national expertise. Delays in implementation have been encountered due to administrative bottlenecks and especially procurement has been a challenge for many E&E related projects. A few PSD projects were found to be overly ambitious in terms of scope and coverage, created (too) high expectations, faced problems and therefore delays in implementation or stretched out over a longer than planned duration.

Many of the projects have successfully converted inputs into results. In some instances, creative solutions had to be found to respond to encountered challenges, notably extended delays and problems linked to procurement. In many cases past projects layed the necessary foundation for ongoing and new projects. To illustrate, based on the experience of three consecutive upgrading projects in the field of automotive components, several new projects have been developed. With up-coming or just starting projects dealing with waste management, while some potential issues have been identified such as the fact that the project documents do not always sufficiently consider public information and participation issues, the project design is generally well-thought through, involving knowledgeable national and local organisations and ensuring linkages with other international projects.

Effectiveness

There are a number of encouraging results for many of the projects. However, many E&E projects are still at a too early stage to assess whether they have achieved their objectives or are likely to do so. Amongst the projects completed or under completion, a mixed picture has emerged as the immediate objectives are generally only partially achieved. In particular, while the projects as a rule succeeded in building capacities of partner institutions, they were less successful in fostering the development of the necessary legal framework.

Many PSD-related interventions generated encouraging and tangible results at the level of both intermediary business support organizations and enterprises, were catalytic in the sense of introducing new approaches and had sizeable geographic outreach. Some projects covered support to micro and small enterprises in some of the poorest States in India. The implementation of a few PSD projects is behind schedule and it was therefore too early to assess the likelihood of achieving the intended objectives.

Different projects encompassed enterprise upgrading or modernization aimed at enhanced competitiveness, using different approaches (company level counselling, cluster development, benchmarking of business performance) and varying in terms of duration of support to enterprises. Overall, emphasis was more on direct enterprise level support through counselling and training than on developing capacities of service providers. The selection of enterprises was based on sector, location, interest and willingness of enterprises to pay for the support.

Sustainability

The likelihood for the benefits of the PSD interventions to continue beyond their completion varies across the projects reviewed. In several cases counterparts continue providing the types of services and using approaches introduced through UNIDO's support. In some projects technical sustainability is fragile. Where institutional anchorage has been weak or weakened, sustainability is affected and is a critical issue to be addressed in the follow-up support being foreseen.

As regards E & E interventions, there are several examples of replication of cleaner technologies introduced through UNIDO projects, sometimes integrating successfully adaptations to Indian conditions. However, the up-scaling of positive results may be impeded by a lack of financing.

Impact

In several cases there are good indications of impact of PSD related support at the level of beneficiaries, even though evidence is often somewhat anecdotal in the absence of robust monitoring systems. In general, it is difficult to assess to what extent interventions have contributed to the reduction of poverty but the cluster development-related projects have the potential to do so.

E&E projects contribute by their very nature to the MDG 7 'Ensure Environmental Sustainability'. This is mainly through reduction of CO2 emissions associated to improvements in energy efficiency and reduction of ozone depleting substances through projects related to the Montreal Protocol. However, a robust assessment of projects contribution to higher level objectives is impeded by the lack of impact indicators in the project documents and reliable monitoring data.

There is no indication that gender issues have been mainstreamed in the projects reviewed.

Conclusions

Generally, UNIDO is an appreciated partner, chosen for its competence and professionalism and providing value added to a larger variety of government owned initiatives. The high level of national commitment and ownership as well as high degrees of consultation at programme/project designs stages have

resulted in a programme truly aligned to national priorities and strategies. The close involvement of the Government of India (GoI) in project implementation and management is positive but unclear roles between UNIDO and counterpart ministries or between counterpart ministries have somewhat reduced the efficiency of the programme. There is also a need for more coordination between projects covering same themes or sectors, such as among PSD projects but also between PSD and projects in the E&E areas.

Different projects sometimes work with the same sectors and with similar upgrading objectives yet use different approaches and tools and there is room for increased collaboration and monitoring of synergy effects. There is also room for more cooperation and exchange of experiences and of benchmarks in cluster development, an approach followed by many of the projects and beyond the distinct cluster development projects.

Sustainable economic growth can be seen as a main theme of the Programme. Several projects have resulted in increasing the competitiveness of enterprise clusters or of individual enterprises. Moreover the UNIDO programme is felt to have promoted the green industry agenda, by encouraging energy efficiency and supporting the GoI in implementing international agreements.

Recommendations

The evaluation resulted in both general and project specific recommendations and lessons learned. Many address over-riding issues, such as coherence with UNDAF and inclusion of economic growth among its priorities, the need to mainstream gender and environment issues and to deepen coordination and cooperation between (related) interventions. Specific recommendations include suggestions as regards the remainder of the ongoing projects, issues considered important in the future implementation of the current pipeline projects, as well as a number of points concerning the modus operandi of the UNIDO RO.

General and strategic recommendations to the GoI and UNIDO

- More attention should be given to sharpen the strategic focus of the country programme in order to promote impact on sustainable industrial development and support to national policy development. In view of the changing roles of donor and technical cooperation agencies in India, UNIDO should focus on filling technology or competence gaps or brokering knowledge in priority areas.

- Gender equality and environmental sustainability should be mainstreamed in all projects.

- In view of the large share of environmental projects a UNIDO environmental focal point should be appointed by the GoI and the RO reinforced with environment-related competence.

- Coordination should be facilitated and encouraged between the MoEF and DIPP in order to foster integration and synergies between E&E and PSD projects.

- Reinforce the South-South Cooperation aspects of the UNIDO Programme including the outbound transfer of technology.

- Promote the inclusion of economic growth related themes and issues in the next UNDAF cycle.

- Project steering mechanisms should be in place and cover reviews of allocations and disbursements as a standard agenda item for steering committee meetings.

- Define the key roles and the most effective division of labour, in project implementation, between UNIDO and Indian partner institutions.

- Reinforce coordination between different projects for increased synergy effects.

General and strategic recommendations to UNIDO

- The RO should increase its role in coordination and substantial monitoring of the Country Programme and its components.

- Adherence to UNIDO Evaluation Policy and the TC Guidelines should be ensured for all projects. The RO should ensure that UNIDO roles and procedures are clear and known to national stakeholders and UNIDO experts and consultants.

- Monitoring and reporting should be results-based and enable early warning signals.

- National implementation modalities should be developed for project outcomes or outputs/activities for which national implementation would be appropriate.

- Procurement should be further decentralized and a procurement officer assigned to the RO.

- The RBM work plan should be reviewed in order to increase its utility and its function as a planning and management tool. The RO should identify priority outputs for each of the outcomes and concentrate on a limited number of outputs and activities during a given year.

- The UNIDO RO in New Delhi should be strengthened, in view of the growing portfolio of projects and particularly in the field of environment.

- Better use of current programme officers at the RO should be ensured and project managers should look into possibilities of decentralizing PADs to the field.

- The FO should pay more attention to its advocacy function and align its promotional materials and publications to this function. For instance, there could be more advocacy in relation to UNIDO priority areas such as green industry or clean and sustainable industry.

Recommendations related to Energy & Environment Portfolio

General

- Considering the growing share of projects financed by GEF and more generally EE projects for which the counterpart is the MoEF:
  - Ensure that clear lines of communication are established between the Regional Office and the MoEF, generally and for each project.
  - Ensure efficient monitoring of projects in the portfolio

- Earlier determination of actual equipment to be procured and improved management of the procurement process. Procurement planning should include technology selection and cost assessment and enable the selected equipment to be installed during the project lifetime and be effectively used.

- Assess the sustainability of the Indian Cleaner Production Centre in close coordination with DIPP. If a decision is made to maintain the Centre, actively involve the Centre in up-coming projects and implement the recommendations of the previous CP-Programme evaluation.

POPs-related projects (PCBs/Medical Waste)

- In order to ensure effectiveness and sustainability of the projects, the identification of legislative requirements as well as effective enforcement mechanisms and incentives should be an integral part of the project's strategies

- Activities targeting the local population should not be limited to public information and general awareness-raising but also provide for close cooperation with local NGOs and municipalities, along with the actual participation and involvement in decision-making processes.

- Lessons from the NIP evaluation with regard to project implementation should be used to improve efficiency and effectiveness of post-NIP POPs projects

- Coordination of legislative tasks undertaken under the NIP implementation project and the post-NIP projects should be promoted in order to avoid duplication and overlapping.

Medical Waste project:

- Clarify the approach to public private partnership and assess the adequacy and effectiveness of this modality for each of the planned activities. Particular attention should be paid to commercial viability.

- Pursue the efforts to support the project preparation team in securing co-financing of the project.

Recommendations related to Private Sector Development Portfolio

Consolidated project for SME

- Plan and prepare the finalization of remaining activities (based on the decision of the donor as regards the outstanding funding), including conducting the mandatory project evaluation (for which the required budget allocation is to be reserved under budget line 82) and prepare a detailed final report *(based on the recent decision as regards the extension of the project duration, the mandatory project evaluation is now scheduled for end of 2011 or early 2012)*

Orissa investment promotion

- Complete and submit the final report of the investment promotion project to the counterparts in Orissa, the RO and to DFID

- Use the final report and the findings of this evaluation as a basis for discussions with local authorities and DFID and find out to what extent and in which field(s) there could be scope for cooperation with the new DFID funded OMEGA programme, currently under preparation; to the extent the latter is likely to include both investment promotion and SME (ancillarization) support, there could be scope for possible involvement of different units in UNIDO.

Automotive components (new projects)

- Organize a planning workshop in India with the local stakeholders to discuss the planned projects in the field of automotive components and related fields (the next phases of the partnership programme, the quality

component of ICDP, industrial maintenance support), with a view to ensure that lessons from past projects are adequately reflected from the start (both in terms of "content" and "management" of these projects, including inter-linkages among these projects and with other related initiatives in India). Such discussions should be held prior to the actual start of the projects or latest during their inception phase and aim at harmonized programming of the interventions.

- Resolve issues causing delays in decision-making on the funding of the current pipeline projects with Indian Government as a donor (including clarification of respective roles in implementation and related budget allocations).

Cane and bamboo networking project

- A Steering Committee meeting should be held in the near future to discuss the findings of the evaluation mission and decide on necessary follow-up actions to bring the project 'back on the rails". Items on the agenda should include the possible preparation of a project revision cum work plan adapted to the available budget, solutions of trust deficit issues among project stakeholders, as well as definition of the most appropriate strategy as regards the proper completion of support to the first cluster (Nalbari) as well as to the remaining clusters identified.

- Consult with UNIDO cluster development specialists to seek their advice and involvement in the project

Brass and bell metal project

- UNIDO HQ should submit, to the counterpart ministry, an updated work plan and budget proposal for the remainder of the duration of this project and after having consulted with UNIDO cluster development specialists to seek their advice and possible involvement.

Integrated Cluster Development Project

- Clarify with DIPP the reasons for the delays in actual funding of this project officially launched at the end of 2009 and initiate remedial actions.

- Discuss the design of the project in the light of the risks identified by the evaluation mission and, if deemed relevant, redefine the project implementation strategy.

Lessons learned

Programme coordination and synergy effects do not just happen if there are no specific resources allocated for this and responsibilities assigned.

Co-funding by the recipient country enhances ownership and can also facilitate the smooth implementation of projects (when external donor funding is insufficient or received with delay).

Adequate time and resources spent on project identification and preparation (including attention to strategic issues such as institutional anchorage, selection of technology and exit strategy) are good investments and pave the way for smooth implementation and sustainability.

A centre set up for training or demonstration purposes needs an ex ante business plan that includes a strategy for the optimal use of the facilities and long-term sustainability.

Plant level upgrading often needs to go hand in hand with improvements in the business environment, in order to enhance the productivity and competitiveness of enterprises.

I

BACKGROUND

I.1. Introduction

This report presents the findings of an evaluation of UNIDO's interventions in India and incorporates a mid-term evaluation of the five-year UNIDO Country Programme (CP) in India[1] entitled *Country Programme of Technical Cooperation in India 2008-2012 – Towards inclusive growth: Strengthening the competitiveness and productivity of industrial enterprises* and approved by UNIDO and the Government of India in May 2008. The CP is aimed at "raising the competitiveness of industrial enterprises through industrial policy advice, investment and technology promotion, through technology-oriented initiatives to increase productivity, quality, energy efficiency, occupational health and safety and the environmental sustainability of industrial production" (*Programme document, page iv*).

With a planned budget of USD 45 million (excluding Programme Support Costs) and total available funding of USD 30 million as of March 2010 including USD 8 million carried over from the previous Country Service Framework (CSF), the 2008-2012 programme is large. It encompasses a substantial number of projects of different sizes. For an overview of the programme objectives, components, projects and corresponding budgets, reference is made to the overview Table 1 in Chapter I.3 below (complemented with a list of projects in Annex D). In addition to the technical cooperation interventions under the Country Programme, this country evaluation covered an assessment of Global Forum interventions, as well as of the performance of the Regional Office.

The evaluation was carried out by a team composed of Ms. M. de Goys (Director of the UNIDO Evaluation Group), Ms. C. Dupont and Mr. N. P. H. Kannimel (respectively international and national evaluation consultant) covering Energy and Environment (E&E) related interventions, while Ms. L. van Oyen and Mr. P.K. Chaubey (respectively international and national evaluation consultant) covered Private Sector Development (PSD) related interventions. The members of the evaluation team had not been involved in the design nor the implementation of the programme or any of its underlying projects. The field mission in India took place between 15 and 27 November 2010.

[1] proposed by UNIDO's Regional Strategies and Field Operations Division, approved by its Executive Board and included in the 2010/2011 Work Programme of the UNIDO Evaluation Group.

This report is organized as follows:

Chapter I.2 of **introductory Part I** summarizes the purpose and scope of this evaluation and describes the methodology followed including the limitations of this evaluation exercise. Chapter I.3 gives an overview of the Indian context in which this programme has been designed and implemented so far. Part I ends with a snapshot overview of the structure and content of the CP and corresponding projects (Chapter I.4). This chapter also summarizes the status of funding and expenditures.

The **assessment** is covered in **Part II**, which starts with an analysis of overall programme design (Chapter II.1). This is followed by an assessment of the interventions related to respectively Energy and Environment and Private Sector Development, structured according to the evaluation criteria: relevance and ownership (Chapter II.2), efficiency in implementation (Chapter II.3), effectiveness (Chapter II.4), sustainability (Chapter II.5) and impact and contribution to the Millennium Development Goals (Chapter II.6). In line with the terms of reference of the evaluation, Part II also covers an assessment of Global Forum activities (Chapter II.7), programme performance as regards cross-cutting issues (Chapter II.8), participation in United Nations Development Assistance Framework/UNDAF (Chapter II.9), overall coordination and management issues (Chapter II.10) and Field Office performance (Chapter II.11).

The **conclusions** are presented in **Part III** and the report ends with **recommendations** and **lessons** learned (**Part IV**). An **Executive Summary** is included in the beginning of the report.

I.2. Evaluation purpose, scope and methodology

Purpose

This evaluation covers an independent assessment of UNIDO's interventions in India with 2007 as a starting point. Its aim is to assess

- the achievements/progress to date in terms of the relevance, ownership, efficiency, effectiveness, sustainability and impact of;

  (a) *Technical Cooperation (TC)* projects and programmes

  (b) *Global Forum activities* undertaken in India during the period under review;

- the performance of the Regional Office in New Delhi in carrying out its functions and in terms of delivery of results in relation to its work plan, covering also its modus operandi and administrative approaches that have a potential for wider applicability for UNIDO's Field Offices.

This evaluation also includes the identification of factors that have facilitated or impeded the performance of both the UNIDO programme and the Regional Office

operations. The key findings, conclusions, recommendations and lessons of this evaluation are expected to feed into the preparation of future UNIDO programmes and activities in India.

Moreover, the evaluation sought to identify good practices as well as areas for improvement in order to enhance the performance of the UNIDO interventions in India and tried to identify lessons learned for wider applicability.

The results of this evaluation are also expected to feed into a number of thematic evaluations, conducted by the UNIDO Evaluation Group in 2011, in particular the ones pertaining to (i) industrial upgrading, (ii) Field Office performance, (iii) Persistent Organic Pollutants (POPs) and (iv) UNIDO's contribution to the Millennium Development Goals (MDGs).

Scope

As per the terms of reference (included as Annex A) this evaluation was planned to encompass the full range of UNIDO interventions in India, including technical cooperation projects, global forum functions and Regional Office operations.

As regards the selection of technical cooperation projects, the evaluation considered (i) projects implemented in India since the last country evaluation (2007) and (ii) those projects currently listed as pipeline that are likely to obtain funding within the time frame of the present Country Programme. Projects that were soon to be subject to an individual in-depth evaluation were only briefly assessed (focusing on design, synergy and relevance issues). The projects selected and included in the assessments are synthesized by theme in Chapter I.4.

Some projects were already ongoing at the time of the previous country-level evaluation and the current evaluation took the 2006 findings as starting point of the analysis and assessed performance from there onwards (cf. Part II). Assessment of the design covers currently ongoing and major pipeline projects. The design of projects that are already closed has only been covered in the present evaluation to the extent that the results, outcomes and the sustainability thereof were found to be linked to the design of follow-up projects and contain lessons to be considered in future interventions.

Where individual projects had been subject to prior evaluations, these evaluations were used as inputs into the current evaluation. Also relevant prior thematic evaluations were considered and reference is made to the prior evaluations under the actual assessment of specific interventions.

Whereas initially also the UNIDO Centres hosted in India were to be covered by this evaluation (included under "projects" as the Centres are funded according to the project mode), at the start of the field mission the evaluation team was requested by the Department of Industrial Policy and Promotion/DIPP of the Ministry of Commerce and Industry (host country focal point for UNIDO) to exclude these Centres from the current evaluation. It was subsequently agreed that ICAMT and the South-South Centre (UCSSIC) will be subject to separate, independent (project) evaluations in 2011.

Focus

The evaluation started with an assessment of overall programme design, including the extent to which findings and recommendations of the CSF evaluation of November 2006 had been considered in the 2008-2012 Country Programme. As regards the assessment of closed and ongoing projects, the OECD-DAC criteria for evaluating development assistance have been applied: relevance and ownership, efficiency, effectiveness, sustainability and impact (cf. Glossary of evaluation terms, page ix). With respect to pipeline projects, emphasis has been put on assessing relevance, ownership, reflection of lessons from prior experiences in the overall implementation strategy including an assessment of actual or potential sustainability (when information was available)[2]. In addition to the DAC criteria, the evaluation has covered a number of specific issues such as contribution to MDGs (within the context of impact), gender equality and south-south cooperation, as well as participation in the United Nations Development Assistance Framework (UNDAF) and overall programme coordination and management (including assessment of Regional Office operations).

Methodology

The evaluation covered the following five phases:

1. *Inception*: exchange on draft terms of reference; document review; selection of projects to be included in the assessment; compilation of project listing including preliminary information on status; preparation of assessment framework (cf. Annex E) and interview guidelines (cf. Annex F);
2. *Primary data collection*: document review and interviews of project managers at UNIDO HQ in Vienna followed by interviews in India with relevant stakeholders (Indian partner cum donor institutions; national counterparts, beneficiaries; UNIDO experts and consultants; donors other than India, UN organizations);
3. *Restitution:* presentation of preliminary findings at the end of the field mission to representatives of the main stakeholders in New Delhi (26 November 2010);
4. *Data completion*: collecting and reviewing additional information to complete the analysis (including an e-based survey of counselors of the automotive component project SF/IND/04/002);
5. *Report drafting*: preparing and compiling an initial draft, obtaining comments and finalizing the report, reflecting inputs received as appropriate.

The evaluation team started the field work together and had a number of joint meetings at the outset, including with the DIPP. Thereafter the team divided the

[2] For example, for the pipeline project Energy Efficiency in Foundries (XX/IND/08/X07), no information was available and it seems that this pipeline project has been incorporated in the larger project 'Promoting Energy Efficiency and Renewable Energy in Selected Micro, Small and Medium Enterprises (MSME) in India' (GF/IND/09/003).

works according to the themes and issues to be covered. The E&E and PSD sub-teams covered projects all over India and travelled to Bangalore, Khurja, and Gurgaon (E&E sub-team) and to Bhubaneswar, Guwahati, Shillong and Gurgaon (PSD sub-team).

The analyses are based on the triangulation of primary and secondary information obtained from main stakeholders involved in programme interventions and management, complemented by available documentation such as UNIDO documents and reports, official Government of India (GoI) documents and articles from different sources concerning the overall socio-economic situation and industry/sector related issues and trends in India.

Preliminary findings were presented to main stakeholders in India at the end of the field mission (on 25 November 2010) and at UNIDO headquarters (on 20 January 2011).

The list of persons met is attached as Annex B, and Annex C includes the list of documents consulted.

Limitations

Whereas overall CP reporting has been regular and reports were made available to the evaluation team (annual reports; progress reports), monitoring information pertaining to individual projects was not always available and, when available, varied greatly in quality and coverage. A number of documents were only obtained at the time of meeting with project stakeholders. Some of the documentation was more of a promotional type and, at times, found to be overly positive and not fully in line with realities on the ground. Not all the completed projects had final reports nor were self-assessment reports available. Although subject to a mandatory evaluation, given the size of the project budget, an independent evaluation had not taken place for one project[3], one reason being that all the funding had been exhausted during the implementation and the project was covered by this country evaluation. For several other large-scale projects, individual evaluations have been conducted or planned.

The wide range and large number of projects and issues to be covered in a number of locations across a large country implied that it was not possible to visit all project sites or cover all projects. Priority was given to larger (in terms of funding) projects and projects of strategic importance.

I.3. Country context

Overall situation and trends

The turn of the century marked a major turn in the development history of India as well. During the last 20 years, the country established itself as one of the world's fastest growing economies. India's recent economic performance has

[3] Orissa/Investment Promotion (TF/IND/03/002)

indeed been creditable, not only compared to its own past but also in comparison with other nations. But, such high growth becomes a matter of contentment only if it is inclusive and sustainable and India is striving to sustain the high growth rates while ensuring that the benefits are widely shared among the population. Inclusivity and sustainability figure quite prominently in every important economic policy statement of the national government. In fact, they are among the central objectives of the Eleventh Five-Year Plan (2007-2012), the National Manufacturing Competitiveness Strategy as well as the Millennium Development Goals. The current UNDAF (2008-2012) and the latest UNIDO country programme (2008-2012) also uphold the idea of 'inclusive and sustainable growth'. However, during the last two quarters of the year 2008-09 India registered an annualized growth rate of 5.8 per cent, which was much below the near-9 percent that the nation had continuously achieved over the previous five years. It was then feared that the global recession would push the country down to a lower trajectory of growth. But, data on the performance of the economy released since then as well as projections for the medium term suggest that India is rapidly returning to buoyant years preceding 2008[4].

Snapshot of India	
Population	1.14 billion
Poverty *(% of population below national poverty line)*	29 %
Urban population	29 %
GDP	1,159 billion
Exports of goods and services/GDP	22.7 %
Average annual population growth (2002-2008)	1.4 %
Average annual labor force growth (2002-2008)	1.9 %
Source: World Bank – India at a glance	

Economic Growth and Growth of Inequalities

Even though inclusive growth is the corner stone of India's development, the period of high growth has tended to perpetuate inequalities in the system. First of all, growth performances varied significantly across sectors as well as among regions, which meant varying implications for different segments of the population. In India around 60 per cent of the population rely on agriculture and allied sectors for their livelihood. But this key sector, which accommodates most people in the country, has lagged far behind in the race of economic growth. As a result the share of agriculture in GDP declined from around 23 per cent in 1990 to 17 percent in 2007-08.

The manufacturing sector, which is the major source of employment after agriculture, also lagged behind in the recent spurt in growth rates. The manufacturing sector registered better growth rates, compared to the primary sector, since the beginning of reforms in 1990 but its share in GDP remained more or less same over the period, at around 15 per cent. Most of the gains of high growth have accrued to the tertiary sector, whose share in GDP rose from

[4] ***Economic Survey 2009-10***, Ministry of Finance, Government of India, 2010, New Delhi

50 per cent in 1990 to 55 per cent in 2007-08. As a result the difference between per person GDP of different sectors of the economy has widened.

The Eleventh Plan of India (2007-2012) foresaw the manufacturing sector growing at an average rate of 10-11 per cent, about 2 per cent more than achieved in the Tenth Plan. However, as a Mid-Term Appraisal of the Eleventh Plan by the Planning Commission suggests, the performance of the sector was below expectation: " Manufacturing grew at 9 per cent in 2007-08, the first year of the Eleventh plan, but slipped to 3 per cent in 2008-09 on account of the adverse effects of the global economic and financial crisis. In the first eleven months for 2009-10 there was strong recovery with manufacturing output touching 10 per cent. Nevertheless manufacturing output growth during the Plan period will still be far short of the double-digit target set out in the Eleventh Plan"[5].

The inclusivity deficit is reflected in the high incidence of poverty in the country. According to a recent Expert Group Report[6] (Tendulkar Committee Report), commissioned by the Planning Commission of India, the country's aggregate poverty is as high as 37 per cent. In particular, 42 per cent of the rural population and 26 per cent of the urban population lives below the poverty line. The issue of defining and measuring poverty is a matter of rugged controversies and unending debates in India. There is, however, consensus, as reflected in various policy documents mentioned earlier, over the point that it is unacceptably high and that it demands concerted efforts for amelioration.

Another dimension of unevenness of growth is that of inter-regional inequality. As seen in the case of different sectors, there are leaders as well as laggards among various regions in the country. Unfortunately, the higher growth achieved over the past two decades does not appear to have narrowed the rural-urban divide or other dimensions of interregional inequality. On the contrary, evidence suggests increase in spatial inequality in growth and development. This is reflected in the growing distance across regions in various indicators such as per capita state domestic product, individual indicators of quality of life as well as more composite indices such as the Human Development Index. According to UNDAF (2008-12), "Uttar Pradesh, Bihar, Rajasthan, Orissa, and Madhya Pradesh are among the worst performers on human development index and on the MDG indicators and account for 39 per cent of the country's population". It seems eminently justified, therefore, that the eleventh five-year plan, the current UNDAF, as well as the latest UNIDO country programme place special emphasis on the spatial dimension of development.

Micro Small and Medium Enterprises

The possible overlap between the sectors that lag behind in growth such as agriculture and labour intensive manufactures on the one hand and the regions afflicted by growth deficit, on the other, requires additional analysis. The less

[5] ***Mid-Term Appraisal of the Eleventh Five Year Plan***, Planning Commission, Government of India, 2010

[6] ***Report of the Expert Group to Review the Methodology for Estimation of Poverty***, Planning Commission, Government of India, 2009, New Delhi

developed regions, comprising of rural areas in general, are typically characterised by a dominance of primary sector activities. They also depend profoundly on labour intensive manufacturing industries characterized by micro, small and medium enterprises.

The importance of medium, small and micro enterprises cannot be exaggerated in the Indian context as they constitute an overwhelmingly large segment when considered collectively as a source of employment or national output. It is estimated that in terms of value, the MSME sector accounts for about 45 per cent of the manufacturing output and around 40 per cent of the total export of the country. The MSMEs also function as a sort of last resort for all disadvantaged sections of the population such as the poor, women, child workers and migrants. Interestingly, economic liberalization since 1990 has exposed these units to the pressures of international competition. But, many of the units lack the wherewithal to take on global competition. More often than not they lack in technological capability.
The emphasis on MSMEs is can be seen in relation to the high unemployment in the country, estimated to be more than 34 million in 2005.
In view of the importance of micro and small enterprises, the Prime Minister appointed a high level Task Force in 2009 to examine ways to overcome the growth challenges of this sector. The Task Force recommendations are now being implemented. They address the critical issues of this sector such as credit flow, improvement of skills, access to markets and raw materials, etc.
Many GOI policy documents including the very recent ones emphasize a cluster-based approach to the development of small and micro enterprises. The National Strategy for Manufacturing (2006) brought out by the National Manufacturing Competitiveness Council presents the cluster approach as the preferred route for improving manufacturing competitiveness and calls for new and innovative approaches to cluster development. The Mid-Term Appraisal of the Eleventh Plan (2010) insists that “There is need to aggregate these small units into clusters of various forms whereby they can share infrastructure for human resources development, quality management, marketing, etc”. According to the same document, “The benefits of aggregation, to overcome the handicap of small scale as well as poor infrastructure have induced several Ministries, covering many different industrial sectors to promote clustering in many forms to improve competitiveness of Indian enterprises.

Environmental Implications of Growth

Another important consequence of the growth process has been its adverse environmental impact. Until recently, policy makers in India, just as their counterparts in many other countries, were not particularly sensitive to the question of environmental implications of the growth strategies they pursue. This has had its implications in the form of accumulation of untreated waste, growing levels of pollution of air as well as water sources, increased emission of green house gases, depletion of resources, deforestation, destruction of bio-diversity, etc. Of late there has been a major change in attitude, not only due to international conventions and commitments but also because of growing awareness and concern within the country. There is growing consensus in favour of greener and cleaner technologies, conservation of resources, energy efficiency and waste management. This is reflected in recent policy documents such as

National Action Plan on Climate Change (2008) and State of Environment Report: India (2009). According to the latter report, "Generation of large quantity of hazardous waste, along with hospital waste has been affecting public health and environment. Climate change and energy security are major concerns which need to be addressed strategically"[7].

India is a party to various multilateral environmental agreements such as the Montreal Protocol on the phase out of ozone-depleting substances and the Stockholm Convention on Persistent Organic Pollutants (POPs). Implementation of these multilateral agreements means rapid rearrangement and overhauling of many economic sectors as well as significant investments in environment friendly technologies, institutional restructuring and major legislative reforms. It also requires major behaviour changes among people and enterprises. In spite of the presence of numerous hurdles, the country is moving slowly but steadily towards a regime of sound environment management. It is also recognized as an area where India needs external help in the form of resources, expertise, technology and equipment.

Conservation of environment also has an equity dimension. Environmental degradation reduces quality of lives and its impact is likely to be particularly pronounced on the poor and vulnerable sections, as they are likely to suffer the most from degraded access to clean water, air and sanitation as well as from climate effects. This is particularly true for women in poor households given the existing gender division of labour. For instance, women fetch the water. Securing the environment has also a dimension of intergenerational equity.

Institutional Framework

The multi faceted nature of the UNIDO Country Service Programme presupposes involvement of several Government of India ministries, state governments, local governments, many national and state level departments, various multilateral agencies and a host of other stakeholders such as public sector research institutions, NGOs, industry associations, entrepreneurs and workers

Department of Industrial Policy and Promotion, Ministry of Commerce and Industry (MCI)

The Department of Industrial Policy and Promotion (DIPP) is the nodal department within the Government of India for coordinating UNIDO projects and programmes in India. The DIPP's mandate includes: formulation and implementation of industrial policy, monitoring of industrial growth, promotion, approval and facilitation of foreign direct investment (FDI), encouragement of foreign technology collaborations, formulation of policies related to intellectual property rights, administration of various central legislations, promotion of industry in developing regions, etc. Notably, several projects in the UNIDO portfolio fall within the jurisdiction of the DIPP. However, the diversification of UNIDO activities in the country, especially its foray into areas related to environment and energy, has had as an effect that a large part of the UNIDO

[7] ***State of the Environment Report, India 2009***, Ministry of Environment& Forests, Government of India, 2009, New Delhi

portfolio does not fall within the DIPP/MCI sector focus but rather under other institutions/ ministries such as the Ministry of Heavy Industries & Public Enterprises, the Ministry of Micro, Small and Medium Enterprises, the Ministry of Environment and Forests, among others, and specialized institutes (see below).

Ministry of Heavy Industries & Public Enterprises

This Ministry administers a number of Central Public Sector Enterprises particularly in the following sectors: heavy engineering equipment and machine tools, heavy electrical engineering industries and automotive industries including tractors and earth moving equipment. The Ministry plays a key role (both as donor and counterpart institution) as regards the UNIDO Partnership Programme in the automotive components sector, in line with its mandate to support the development of the Indian Automotive Industry.

Its "Automotive Mission Plan 2006-2016" serves as a roadmap to steer, coordinate and energise the efforts of all stakeholders (which include the past UNIDO Partnership Programme and its forthcoming stages).

Ministry of Micro, Small and Medium Enterprises

The Ministry of Micro, Small and Medium Enterprises (MSME) was formed in 2007 by amalgamating the Ministry of Agro and Rural Industries and the Ministry of Small Scale Industries. The objective of the Ministry is the promotion and development of micro, small and medium enterprises (MSME), including in the khadi (an Indian fiber[8]), village industries and coir (coconut husk fiber) sectors, through formulation and implementation of policies and programmes in the areas of credit, marketing, technology, skills development, infrastructure development, and fiscal and legal/regulatory matters.

Ministry of Environment and Forests

One consequence of UNIDO's portfolio diversification into environmental areas has been the growing collaboration with the Ministry of Environment & Forests (MoEF). The MoEF is the nodal agency in India for planning, coordination and implementation of environment and forestry policies and programmes often realted to the conservation of natural resources, including lakes and rivers, biodiversity, forests and wild life, ensuring the welfare of animals, and prevention and abatement of pollution.

The Ministry also serves as the nodal agency for the United Nations Environment programme (UNEP), the South Asia Co-operative Environment Programme (SACEP) and for the follow up of the United Nations Conference on Environment and Development (UNCED). The Ministry is moreover entrusted with collaborating with multilateral bodies such as the Commission on Sustainable Development (CSD), the Global Environmental Facility (GEF) and with regional bodies like the Economic and Social Council for Asia and Pacific (ESCAP) and the South Asian Association for Regional Cooperation (SAARC) on matters

[8] Khadi is an Indian fabric made by spinning the threads on an instrument known as 'Charkha'.

pertaining to the environment. Its role as GEF focal point needs to be highlighted.

The Ministry of Coal

The Ministry of Coal has the overall responsibility for determining policies and strategies in respect of exploration and development of coal and lignite reserves. Under the administrative control of the ministry these key functions are exercised through the public sector undertakings, namely Coal India Ltd., and its subsidiaries and the Neyveli Lignite Corporation Ltd. Its responsibilities include recovery of coal bed methane and its commercial use. The ministry is also responsible for the welfare and safety of miners.

Central Power Research Institute

The Central Power Research Institute (CPRI) is an autonomous society under Ministry of Power, Government of India set up in 1960. It functions as a Centre for applied research in electrical power engineering assisting the electrical industry in product development, consultancy and quality assurance. CPRI also serves as an independent authority for testing and certification of power equipment. CPRI's governing body includes professionals from industries, utilities, prestigious academic institutions and government. It has a mandate and capability to design and implement energy conservation and management programmes. It is a major stakeholder institution for GEF funded projects in the area of POPs.

The Energy Resources Institute (TERI)

TERI was established in 1974 with the purpose of tackling and dealing with the problems that mankind faces on account of depletion of the earth's energy resources which are largely non-renewable and and to combat energy-related pollution. A central element of TERI has been its reliance on entrepreneurial skills to create benefits for society and the development and dissemination of intellectual property. The Institute established the TERI University in 1998. TERI is one of the key institutions in the area of energy management in the country and team up with government departments on the one hand and multilateral institutions such as GEF and UNIDO on the other in a large number of projects and programmes.

National Productivity Council

NPC is a national level organization established by Government of India in 1958 to promote a productivity culture. It provides training and consultancies besides undertaking research in the area of productivity. NPC has separate divisions in many areas including energy and environment management. The Environment Management Group focuses on waste minimization and pollution prevention in line with productivity improvement The NPC hosts the India National Cleaner Production Centre (INCPC) set up as a joint platform of NPC and UNIDO to promote cleaner production.

I.4. Overview of UNIDO activities in India

Country Programme of Cooperation between the Republic of India and UNIDO 2008-2012 – Towards inclusive growth: Strengthening the competitiveness and productivity of industrial enterprises

Programme structure

The Country Programme was structured along the following three objectives (corresponding to components):

1. To raise the competitiveness of industrial enterprises through the introduction of environment-friendly technologies;
2. To raise the competitiveness of small and medium enterprises in relatively backward regions through innovative cluster-based approaches;
3. To facilitate the participation of developing countries in the global economy through south-south cooperation.

In addition, the programme contained an overall management component under which support to service delivery and programme development was covered.

Designed as a framework, the country programme document outlined the major domains/priorities of cooperation and listed under each of the components (i) the ongoing projects carried over from the previous programme cycle, (ii) newly approved projects as well as (iii) tentative pipeline projects.

In line with the division of labour within the evaluation team and for the sake of improving understanding of the actual composition of the project portfolio and themes therein, the team categorized the project portfolio into four domains:

1. Environment and Energy;
2. Private Sector Development;
3. South-South Cooperation (regional and global);
4. Other (overall programme).

Snapshot of funding

Table 1 below summarizes the project portfolio to date and provides information on funding sources. For a more detailed overview of the project portfolio, reference is made to Annex D.

Table 1 Overview of project portfolio					
Number	**Project Name**	**Donor**	**Curr.**	**Allot.**	**Total Exp.**
Environment & Energy					
GNIND98G34	Coal bed methane recovery and commercial utilization	UNDP[9]	USD	8.128.197	8.128.197
SFIND02004		India		3,590,773	3,590,773
DGIND04952		UNDP		1,024.441,53	1,024.441,53
GFIND07004	Development of a NIP in India as a first step to implement the Stockholm Convention on POPs	GEF	USD	3.074.700	2.547.902
GFIND08010	Environmentally Sound Management & Final Disposal of PCBs in India (PPG)	GEF	USD	350.000	323.210
GFIND10001	Environmentally Sound Management & Final Disposal of PCBs in India	GEF	USD	14.100.000	0
MPIND05007	CTC Phase-Out for the Consumption and Production Sectors - 2005 Annual Programme	MP	USD	3.500.000	3.434.378
MPIND06001	CTC Phase-Out for the Consumption and Production Sectors - 2006 Annual Plan	MP	USD	399.046	243.181
MPIND08009	Preparation of HCFC phase-out Management	MP	USD	70.000	69.796
USIND05001	National Programme to Support Energy Efficiency and Quality Standards in Ceramics SMEs	India	USD	353.982	353.535
TFIND07001			USD	185.556	185.536
TFIND07005	Eco-City - Eco Business Partnership Programme in India	India	USD	221.195	42.213
XPIND08001		UNIDO	EUR	103.005	91.216
USIND02001	Cleaner Technology Promotion In India	CH / SECO	USD	1.450.463	1.274.571
USIND04054	Renewable Energy based Economic Development (Laccadives Islands)	India	USD	130.644	130.642
XPIND05005			USD	35.607	35.607
USIND05006	Business Partnership Programme for the Development of Selected Industrial Sectors in India	India	USD	82.735	82.804
XPIND05004		India	USD	72.924	-19.871
USIND09008	Voluntary initiative to promote greenhouse gas accounting and low-carbon production in sectors of Indian industry	CH / SECO	USD	194.668	1.353
Private Sector Development					
SFIND04002	Support small and medium sized manufacturers in the automotive component industry in India - UNIDO Business Partnership Programme (Phase III)	India	USD	700000	698.597

[9] It should be noted that GN/IND/98/G34 was originally GEF funded. However, the funds have been transferred by UNDP and therefore, for UNIDO, the donor is considered as UNDP. Besides, DG/IND/97/952 (considered together with DG/IND/04/952 – the previous number for the same project) totals 1,024.441,53 is a UNDDP funded project under the so-called national execution modality in UNDP, as is GN/IND/98/G34.

Table 1 Overview of project portfolio

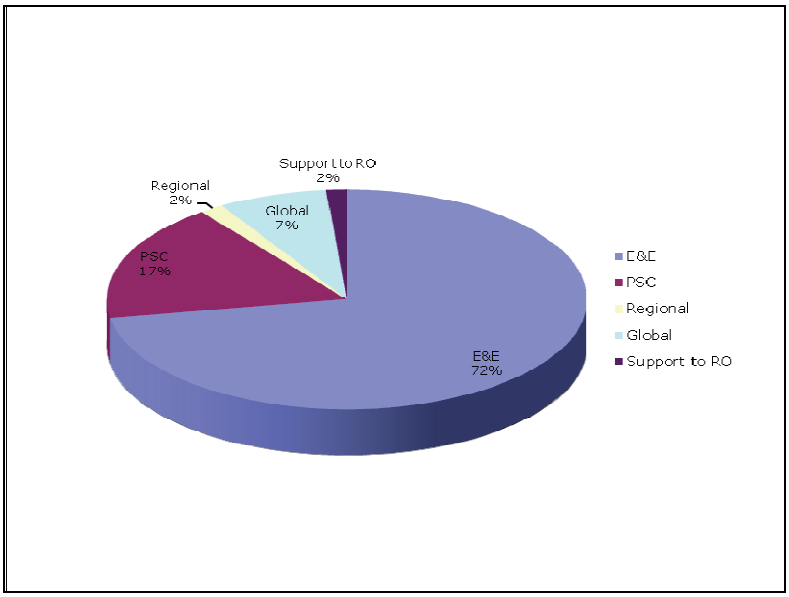
Number	Project Name	Donor	Curr.	Allot.	Total Exp.
TFIND03002 TFIND03A02 TFIND03B02	Project to Support Implementation of Government of Orissa's Industrial Policy Resolution - 2001 (Investment Promotion Component)	UK	USD	1707777	1.707.777
SFIND08004 USIND08002 XPIND09001	Promoting Livelihoods in North Eastern India - The Cane and Bamboo Networking Project	India	USD	132460	9.880
USIND09009	UNIDO Potential Investor Survey (India component)	GoISSIC	USD	31000	24.798
TEIND04001	Consolidated Project for SME	Italy, Euro	EUR	423429	418.314
TEIND04A01		Account		678500	525.246
TEIND04B01				1171431	1.106.083
TEIND04C01				831830	741.792
TEIND04D01					
TFIND04048	MSME - Cluster Development Programme in Orissa	UK	USD	1038025	1.038.025
Pipeline projects					
Energy & Environment					
XXIND08X07	Energy efficiency in foundries Jalandhar				
XX/IND/08/X10	Promoting energy efficiency and renewable energy in selected MSME clusters in India				
XX/IND/08/X05	E-waste management in India				
XX/IND/07/X02	Industrial applications of renewable energy technologies in selected SME clusters in India				
XXIND09X04	Integrated Cluster Development Programme 2009-2014: Resource efficient and cleaner production (RECP)				
Private Sector Development					
XXIND09X06	Integrated Cluster Development Programme 2009-2014: Leather technology, productivity and design				
XXIND09X07	Technology upgrading and productivity enhancement of foundry industry at Coimbatore and Belgaum				
XXIND09X05	Integrated Cluster Development Programme 2009-2014: Total quality management and cluster development at three auto-clusters				
XXIND09X01	Integrated Cluster Development Programme 2009-2014: coordination facility				
SF/IND/09/013, US/IND/09/012	National programme for developing plastics manufacturing industry in India				
XX/IND/10/X01	Supporting small and medium-sized manufacturers in the automotive component industry in India. Deepening and widening the services provided within the framework of the UNIDO-ACMA MOHI Partnership Programme – Phase I				
Support to RO					
USIND08007	Support to the Operation of the UNIDO RO in India as a RBM framework	India	USD	424810	367.753
TFIND07003	JPO Mr. Ricardo Mesiano	Italy	USD	284755	269.068

Table 1 Overview of project portfolio					
Number	**Project Name**	**Donor**	**Curr.**	**Allot.**	**Total Exp.**
XPIND07002	Programme Support for CP - Missions	UNIDO	USD	7556	7.788
Regional					
USRAF09015	Renewable energy for productive uses	GoISSIC	USD	300000	21.814
USRAF09019 TFRAF09020	Development and application of a new technical assistance product One village-industrial clustersas a vehicle for economic growth and poverty reductions	GoISSIC	USD	250000	53.987
USRAF09029	Development of production capacity and promotion of neem derived from bio pesticides as a low cost and eco-friendly alternative to chemical pesticided in West Africa - Prep. Assistance	GoISSIC	USD	25000	0
TFRAS04A01	Regional Network on Pesticides for Asia and Pacific (RENPAP)	RENPAP Member Countries	USD	14621	14.621
TFRAS09004			USD	151746	37.504
TFRAS09A04			USD	103560	2.975
USRAS08004	India-China Cooperation of Environmentally Friendly Rural Cooking Stoves	GoISSIC	USD	8995	8.995
SFGLO02004	Operational Phase of the ICAMT	India	USD	1108268	1.108.268
SFGLO08009				600000	356.016
USGLO08010				530974	202.271
USGLO06015	Establishment of UNIDO Centre for South-South Industrial Cooperation	GoISSIC	USD	1203539	1.070.886
USGLO09015	From water mills to productive activities in remote areas: international water miller's conference, New Delhi, October 2009	India	USD	4596	4.568
USGLO10007	UNIDO-VIMTA South-South Training Facility for Testing Laboratories	GoISSIC	USD	241593	19.185
XPGLO06B27	Prog. Support for UNIDO	UNIDO	EUR	84049	83.906
XPGLO07018	Global agro-industrial forum (India, New Delhi, April 2008				

Source: Compiled by evaluation team based on data provided by UNIDO (Agresso)

Chart 1 shows that in terms of financing, the large part of the programme falls under the Environment and Energy component.

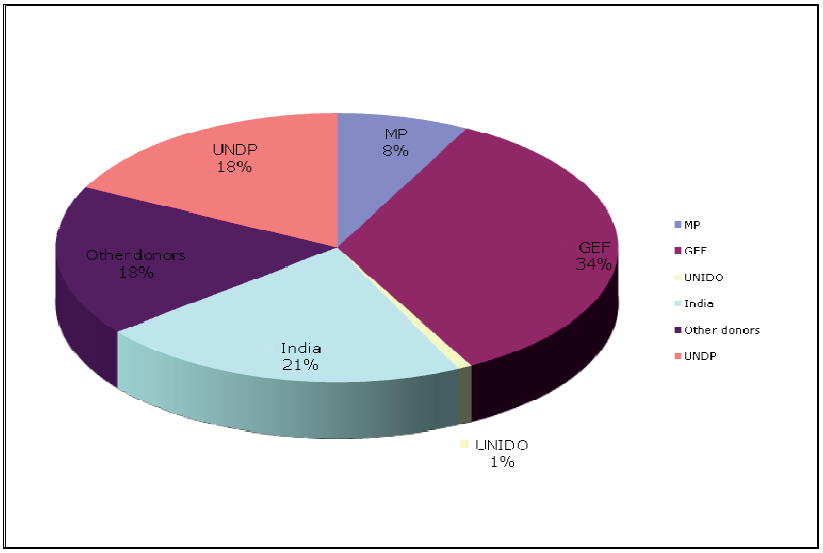
Chart 1 Financing by theme/component



Source: compiled by evaluation team based on data provided by UNIDO (Agresso)

Chart 2 below summarizes the distribution of financing by source, GEF and MP – typically supporting large scale programmes - together account for not less than 42% of all funding and related amounts. The relatively large share (21%) of GOI funding is also worth noticing.

Chart 2 Financing by source



Source: compiled by evaluation team based on data provided by UNIDO (Agresso)

II

ASSESSMENT

II.1. Overall programme design

The design of the 2008-2012 Country Programme was built on the recommendations of the 2006 evaluation of a previous Country Service Framework (CSF) and addressed weaknesses identified. Government priorities were given due attention. The main evaluation and design issues are quoted in Box 1 below.

Box 1 Weaknesses and areas for improvement (in relation to CSF 2001-2006)

"The evaluation report…. pointed out the following weaknesses…:

*Fragmentation of scattered initiatives
*Limited integration and cohesion
*Unclear role of UR office
*Insufficient overall coordination
*Absence of monitoring system
*Lack of mechanism to select new interventions

The GoI argued that the forthcoming UNIDO programme in India should aim at:

*Greater coherence for higher visibility
*Smaller number of larger projects
*Three domains of concentration: south-south, technology and clusters
*Regular dialogue between DIPP and UNIDO Regional Office
*Monitoring on a quarterly basis"

Source: CSF Document signed May 2008, quote from page 11

To a large extent, the CP indeed reflected these concerns, which is illustrated in the programme document and in particular by:

- alignment to the objectives of India's Eleventh Five-Year Plan (2008-2012), the National Environment Policy (2006), the National Strategy for Manufacturing (2006), the National Manufacturing Competitiveness Programme, particularly in terms of focus on a number of priority sectors/themes highlighted in these policy documents;

- attempt to improve integration within and among programme components, through so called champion or flagship projects in each of the components;

- streamlining of the programme management structure through one National Steering Committee and actively involving DIPP;

- joint development (UNIDO and DIPP) of a mechanism to seek, appraise and select new project ideas to ensure continued convergence with the overall programme objectives;

- a strategy focused on the provision of high value-added and quality services in support of the execution of national programmes and schemes (in the form of innovative and/or well integrated service packages, bringing together different technical inputs from different UNIDO branches);

- effort to disseminate lessons and to transfer technologies beyond India's boundaries through south-south cooperation initiatives;

- intention to focus on large size projects (not less than $1 million) and seeking shared ownership (financial involvement of clients); and

- an aim to spell out results, design sustainability strategies and indicate project staff requirements in project proposals.

Overall the document is found to be well written in terms of situation and problem analyses, alignment to GoI priorities and coverage, but there are some weaknesses in relation to the chosen structure of the components and the strategy that led to this configuration. The rationale for bundling ongoing and pipeline projects according to focus on technological capabilities (Component 1), social capital issues (Component 2) and South-South cooperation (Component 3) is questionable and the component labelling somewhat confusing. It made the structure of the components far more complex than necessary. The following problems and logical flaws are highlighted:

- whereas the strategy envisaged a lead role of the flagship projects to foster intra- and inter- component synergies, their listing and description in the CP document give the impression that they are rather of a 'stand alone' type; as per the CP document, the automotive components and cleaner technology promotion projects (Component I) were to converge into a "holistic programme", yet this was not pursued so far. This synergy is now however envisaged through the *pipeline* Integrated Cluster Development Project, ICDP;

- support to the automotive component industry was put under Component 1, whereas the content of the support was de facto much more focused on organizational and management than purely technological aspects;

- the rationale for including the project focused on the promotion of Foreign Direct Investment (FDI) in Orissa [10] under Component 1 is not clear; the technological upgrading aspect is very far from the planned and actual support provided;

[10] Very recently the name of the State changed into « Odisha »; however, as all CSF documents refer to Orissa, the name Orissa has been used in this report.

- the same argument applies to the support in the field of cane and bamboo networking. This project is classified under Component 1, whereas other cluster development projects are included under Component 2;

- labelling cluster development as if encompassing purely social capital issues (human resource management and industrial organization) is only a partial reflection of reality. It omits the fact that also technological upgrading (Component 1 type interventions) can be an integral part of commonly sought solutions to actual and shared problems. Similarly, the strengthening of technological capabilities aimed at raising competitiveness and productivity (supposedly bundled under Component 1) can and will include issues related to human resource management and industrial organization (Component 2 type support), particularly at the sector level;

- it is also puzzling why the range of interventions covered under the consolidated project for SME development (project TE/IND/04/001, funded by Italy) all are fitted under Component 2; to illustrate, an upgrading initiative in the automotive components sector was undertaken under this project, whereas the Phase III automotive components sector project is listed as a Component 1 project; likewise, leather sector interventions under this consolidated SME project – that have a technology upgrading focus – are put under Component 2 rather than Component 1. Moreover, several of the other initiatives under this multifaceted SME development project do not neatly fit under the "social capital" heading that is implicit as regards Component 2;

The above points indicate that the chosen structure of the components created more confusion than clarity as regards the configuration of projects under the CP umbrella. The chosen categorization even affected the very terms of reference of this evaluation, which considered Component 1 as if covering entirely E&E related support (whereas it includes other interventions as well), and Component 2 as if entirely encompassing PSD related support whereas some PSD projects are listed under component 1). In addition, to the extent that some of the projects listed under Component 3 are focused on India (not necessarily with an international orientation) and even have a technology upgrading focus, it is questioned why some projects are clustered under Component 3 rather than Component 1 and also vice versa. The above questioning led to the decision of the evaluation team to reconfigure the entire project portfolio (bundling respectively E&E and PSD type interventions), which resulted in Table 1 above and Annex D.

In terms of results focus, the country programme document includes performance indicators for each project. To the extent this is a programme (although not with the ambition to be integrated) and not merely a sum of projects, the design would have benefited from a schematic logical framework also showing where interventions are complementary or interlinked and if/how projects contribute to the various objectives or outcomes.

Geographical coverage is still wide (as was the case of the previous CSF), with projects spread across the country, including a somewhat ambitious geographical spread within some projects and particularly for the automotive components project. There is little indication that the recommendation of the 2006 evaluation to establish more focused geographical priorities for the UNIDO programme in India was followed. However, it should also be noted that the geographical spread of projects is also dictated by their very nature and focus. For example, the selection of 13 States to be covered by the Environmentally Sound Management and Final Disposal of PCBs is based on geographical and logistical considerations. Similarly, the geographical focus of Montreal Protocol projects is based on the location of the targeted industrial facilities.

Overall, external resources cover a very minor portion of development finance in India, and the CP document refers to India's decision to concentrate bilateral aid on a limited number of development partners (total of 6). Nonetheless, the design of the document remained rather silent on the programmes and projects of "others" particularly in the E&E and PSD fields. The same was found to be the case for a number of the project documents that gave the impression that the UNIDO interventions are rather "unique" and/or carried out somewhat in isolation. In this regard reference is not only made to related programmes and projects of other development partners (bilateral and multilateral) but also (and in fact particularly) to the multiple programmes at the national, state and local levels involving both public and private sector funding. However, this is not the case in some of the most recent E&E projects, which do link with related programmes and projects of other donors, along with national programmes. A good illustration is the project 'Promoting Energy Efficiency and Renewable Energy in Selected Micro, Small and Medium Enterprises (MSME) in India', which takes into consideration various initiatives, both of other donors e.g. the World Bank and national initiatives, such as Bureau for Energy Efficiency's SME programme to synergize activities in the MSME sector.

It would have been useful to include, in the programme strategy, UNIDO's vision as regards its modus operandi in a middle income country such as India, which is funding an increasing number of UNIDO's interventions in the country. The programme strategy referred to UNIDO's value-added and innovative services, where possible bundled in a holistic manner, yet did not address the question which type of project related services would be best provided by UNIDO and which ones could be expected to be provided in both an effective and efficient manner directly by India.

As regards the follow-up of the recommendations of the 2006 evaluation on the projects that were ongoing at the time and are still ongoing to date or meanwhile closed, observations have been blended into the analysis of the specific interventions by theme/domain in the remainder of this Section II. The same applies to the assessment of the design of new projects. Given the forward looking aim of this evaluation, its usefulness is expected to lie in particular in the degree in which issues for improvement are addressed and lessons are ploughed back into ongoing projects and new (currently pipeline) project.

II.2. Relevance and ownership

This sub-chapter will discuss to what extent UNIDO's interventions correctly addressed the problems and needs reflected in the CP document and are still relevant As well as to what extent local stakeholders are the owners of the design and of the achievements?

II.2.1 Environment and Energy

Under the 'Environment and Energy' heading, a number of projects (nearly 45% of the portfolio) aim at supporting India to meet its international obligations. These are of direct relevance to India as they relate to the fulfilment of the country's obligations under the Stockholm Convention on Persistent Organic Pollutants (POPs), ratified by India on 13 January 2006, and the Montreal Protocol on Ozone Depleting Substances, to which India acceded on 19 June 1992. The Carbon Tetrachloride (CTC) Phase-Out for the Consumption and Production Sectors – 2005 and 2006 Annual Plan (CTC projects) supports the Government of India's objective to reduce its Protocol controlled CTC production and consumption levels to zero by 2010. The POPs related projects focus on the development of a National Implementation Plan (NIP) for the Stockholm Convention and its practical implementation in two specific sectors:

- Polychlorinated biphenyls (PCBs) (the environmentally sound PCBs management and disposal). PCBs have been designated as one of the first priorities of the post-NIP programme); and,
- medical waste management (reduction of dioxin and furan emissions from incineration of plastics), which is one of the policy priorities identified by the India State of the Environment 2009 – namely developing and implementing viable models of public-private partnerships for setting up and operating secure incinerators and other appropriate technologies for the treatment and disposal of toxic and hazardous waste, including biomedical.

The 11th Five Year Plan also puts a special focus on PCBs and biomedical waste.

Projects targeted at cleaner production/energy form a second group. Under this group, we find a range of projects aiming at promoting and supporting the introduction of cleaner technology and renewable energy, along with energy and resource efficiency. All these projects are in line with national priorities and policies. Energy conservation and efficiency are a priority for the GoI as shown by the adoption of the Energy Conservation Act in 2001, the establishment of the Bureau of Energy Efficiency (BEE) in 2002 and the 2006 National Environmental Policy. The 11th Five Year Plan reiterates the importance of renewable energy for the country and the necessity to promote energy efficiency through a variety of measures. A project targeting electronic waste management has been proposed but funding is still being sourced and technical details developed. This project would support the implementation of the Electronics Waste (Management

and Handling) Rules 2010, which are expected to enter into force in the near future.

There is a discernable trend in broadening projects both in terms of funding and the number of sectors covered within one project, in line with the approach of the UNIDO CSF 2008-2012.

UNIDO has an extensive experience in implementing similar projects and the projects are all in line with UNIDO's strategic priorities and build on UNIDO's core competences, as demonstrated by UNIDO's long experience in POPs, cleaner production, renewable energy and energy efficiency and waste management. It should be noted that while there is extensive expertise available in India, UNIDO is perceived as a valuable source of information and expertise on innovative technologies. UNIDO's specific knowledge of small industries and clusters is also seen as very useful. One striking exception is the Coal Bed Methane recovery and commercial utilization (CBM) project (GN/IND/98/G34). For this project, UNIDO was appointed as project equipment procurement agency and to provide other support services on payment of a 3 per cent commission of the actual cost of the international equipment procured. While this project was highly relevant to India and initiated by the GoI itself, the relevance of the activities to UNIDO's mandate is questionable, in particular in view of UNIDO's role mainly limited to equipment procurement and its lack of previous experience in the field of coal bed methane exploitation.

Ownership

On the whole, the Environment and Energy portfolio shows an active involvement of counterparts in the design and implementation of the projects. This is true for example for the POPs projects to which the Ministry of Environment and Forest (MoEF) and relevant institutions e.g. the Central Power Research Institute (CPRI) and the Ramaiah Medical College and Hospital have substantially contributed. Similarly, cleaner production/energy efficiency projects have benefited from the implication of core organisations such as the Bureau of Energy Efficiency (BEE), the Energy and Resources Institute (TERI), the Ministry of Micro, Small and Medium Enterprises (MMSME), etc. Representatives of these institutions interviewed during the evaluation mission generally praised their cooperation with UNIDO during the preparation as well as implementation of projects. Special mention should be made of the UNIDO Regional Network on Pesticides for India and the Pacific (RENPAP) programme. RENPAP counts 17 member countries, with a national coordinator in each of these. Its main objective is to reduce the environmental and health impacts of dangerous chemicals including pesticides. It is financed through a Trust Fund managed by UNIDO but funded by the countries themselves, indicating a strong ownership. RENPAP has been effective in coordinating with the MoEF, especially with regard to POPs related projects, and in promoting South-South Cooperation.

In contrast, one can regret the lack of implication of the India National Cleaner Production Centre (INCPC). The Centre had already very limited activity at the time of a past evaluation, the Independent Evaluation and Strategic Review of the UNIDO/UNDP Cleaner Production Programme and Related Initiatives: Country

Review India (2007), and is currently on stand-by, with only one Director and two other people (one Deputy and one Assistant Director), who is at the same time the Head Director of the Environment division of the National Productivity Centre (NPC), the hosting institution of the INCPC. It has no role foreseen in the up-coming UNIDO projects, with the notable exception of the Integrated Cluster Development Programme 2009-2014 - Resource Efficient and Cleaner Production (ICDP – RECP), but due to the absence of funding, this project has not yet started. The Centre website (http://www.npcindia.org/cleaner.htm) was not operating at the time of the evaluation.

On the other hand, the National Productivity Centre (NPC), which hosts the INCPC, is very active and some of the activities pursued by the Centre have involved personnel from INCPC e.g. the waste minimisation circle project sponsored by the MoEF. The 2007 evaluation concluded that *'continuation on the current basis may further amalgamate INCPC into the Energy Management division of the host institution which has a strong track record in industrial energy efficiency and management. Alternatively, significant change is needed to establish INCPC as a national focal point and catalyst for CP initiatives in India. The latter option would align INCPC better with the mainstream UNIDO – UNEP CP programme'*. Although the relationship with UNIDO is still maintained, the lack of involvement of INCPC in UNIDO projects, combined with the fact that the INCPC now falls under the Environment division rather than the Energy Management one, prevented the implementation of the evaluation recommendations. The UNIDO Regional Office, following DIPP recommendations, is trying to involve INCPC in some activities e.g. promotion of eco-labelling, development of resource conservation and eco-industrial project concepts. However, this has not led to any concrete outputs to-date. One restrictive factor appears to be the cost of using INCPC compared to other institutions.

Another institution worth mentioning is the UNIDO Regional Small Hydropower Centre located in Trivandrum, in the State of Kerala, set up in 2003. This Centre received funding through the Industrial Development Fund (IDF) of UNIDO. In 2007, a request for extension of the project establishing the centre was made. The preparation of a full-fledged and well-structured project proposal has taken time, but is now ready and the GoI has committed to provide a financing of USD700,000. The main objective is to ensure that the Centre becomes self-sustainable, through capacity building activities[11]. The project is planned for duration of three years.

While the largest proportion of the portfolio of E&E projects is funded through GEF and the Montreal Protocol (respectively 48 per cent and 11 per cent, in other words 59 per cent of the total portfolio), there is still a sizeable part financed by the GoI (12 per cent). Several examples of financing from the GoI and other national partners/beneficiaries during project implementation have been identified. A striking example of such strong ownership is the additional funding from the GoI and various partners allocated to the CBM project in order to

[11] The project document was not yet finalized, hence available, at the time of the evaluation. Besides, it was not possible to visit the centre due to time limitations. Therefore, these remarks are only based on interviews at HQ.

complete the project. Another case worth mentioning is the financial participation of the units themselves to the training workshops organised under the Ceramics project and, under the same project, financing of rapid-firing technology trial costs other than fuel cost, by the Central Glass and Ceramic Research Institute (CGRI).

However, there are also instances where the GoI funding has been delayed. Within the context of the Integrated Cluster Development Programme (see next section on relevance of PSD projects for an assessment of the relevance of the programme as a whole), the GoI has been particularly reluctant to fund the Resource Efficient and Cleaner Production project. The lack of actual funding is also linked to frequent changes of personnel within DIPP, which have triggered changes in priorities. At the time of this evaluation, some interviewees noted that the perspective of getting funding looked more positive and discussions were still ongoing.

On a broader scale, UNIDO along its traditional relationship with the nodal institution, DIPP, has developed an active and fruitful cooperation with the MoEF. To-date, the MoEF is the counterpart of the largest part of the portfolio in financing terms (about 59 per cent of the E&E portfolio). However, while the relationship with DIPP is institutionalized through a National Steering Committee and regular and frequent meetings, this is not the case with the MoEF. Of particular concern is the coordination between DIPP and MoEF within the context of UNIDO portfolio. The coordination is rather formal and mainly limited to participation in various project steering committees and management meetings, while the actual implementation of projects is done in isolation. Such a situation prevents integration of environment and energy aspects in PSD projects and reciprocally and a more strategic impact of the UNIDO programme.

II.2.2 Private Sector Development

The projects grouped under the heading “private sector development” – each different in terms of sectoral and regional coverage, beneficiaries, objectives and approach - were all found to be consistent with the national/state level priorities and strategies. The partner institutions consulted were generally of the opinion that, as per the design, the projects addressed constraints and opportunities for industrial upgrading, be it micro, small or medium sector size manufacturing.

In the 11th Five-Year Plan, the private sector – both the organized and so called unorganized segments – is expected to play an important role, such as in terms of employment, skills enhancement, and productivity improvement. In this respect the UNIDO interventions were justified by policy priorities of this five-year vision, as well as by sector wide strategies (the National Manufacturing Competitiveness Strategy and its related multifaceted programme) and sector specific plans such as the Automotive Mission Plan 2006-2016 (under the Ministry of Heavy Industries & Public Enterprises) and the National Bamboo Mission Plan (under the Ministry of Agriculture & Co-operation). In the case of the State of Orissa (one of the poorest States in India), the interventions were in coherence with policy

priorities (evidenced by the Industrial Policy Resolutions (IPR) of respectively 2001 and 2007).

In addition to the relevance in the context of India's priorities, the projects covered services in line with UNIDO's priorities and competence and could build on prior UNIDO experience in India and elsewhere. This was particularly the case for upgrading efforts in the automotive components sector (in different regions), cluster development support and investment promotion (both in Orissa), and support to bamboo sector development in North-East India. Under the consolidated SME project, UNIDO focused both on areas in which it had prior experience (leather sector) and engaged in new sectors. This included the development of new instruments expected to foster access to finance (mutual credit guarantee scheme) and a new approach to foster business linkages through cluster twinning and the promotion of subcontracting.

Concerning the major pipeline projects, expectations as regards the Integrated Cluster Development Programme (ICDP) are very high. This initiative (proposed by the Regional Office to DIPP mid 2009) brings together different Ministries and different services (branches) of UNIDO and is expected to become a model for future DIPP-UNIDO cooperation in India in terms of coordination and synergies. ICDP is conceived as a package of integrated services in support of the Industrial Infrastructure Upgradation Scheme aimed at strengthening the competitiveness of industrial clusters. The four project documents developed by UNIDO in the preparatory phase of ICDP's framework have been discussed with and been approved by the GoI in a signing ceremony with the Director General of UNIDO, in August 2009. Although execution of the programme was to start soon thereafter (i.e., about one year ago), funding issues (in particular the extent of national counterpart funding) are still outstanding, as well as content related issues, in particular regarding the selection of focus clusters.

As India looks at UNIDO as a source of international expertise and experience (i.e., the relevance of UNIDO services for India), there is found to be some room for improvement in the design of the forthcoming 'flagship' projects, including ICDP. Notwithstanding the sound principles and good intentions underlying ICDP, the fact that the programme has been cut into separate project documents creates a possible risk for interventions to run in parallel rather than in a truly integrated manner, which could affect the very relevance and effectiveness of this planned programme. There is one single unifying project, i.e. the cleaner production project. The other two areas covered - total quality management in the automotive components sector and productivity enhancement in the leather industry - have no common objectives and will be located in different regions. Even if the ICDP includes a fourth component (Coordination Facility), this does not take away the concern as regards the likely synergies between the three technical assistance components (which should be made explicit in the intervention strategy). In view of the above, the label 'integrated cluster development' is found to be rather ambiguous. Moreover, as UNIDO has implemented a sizable number of projects in each of the three technical areas covered (cleaner production, automotive components and leather), one would have expected that lessons of the past are better reflected in this new programme. To illustrate, the challenges faced in consecutive phases of the automotive components project over the past ten years, such as the turnover of

trained counselors and weak institutional anchorage of the last phase find insufficient echo in the new proposal. If this is the result of the fact that the ICDP was developed prior to the finalization of the forthcoming partnership programme and prior to the end-of-project assessment, it is not too late to review and where needed to fine tune the approach in the light of lessons learned, at least in the inception phase of the next generation of projects in the automotive components sector (including how the different projects in the same automotive components sector are interlinked).

The idea to recruit on a full-time basis an international cluster development expert (home-based rather than India based) adds to the overall cost and, equally important, ignores the existence of proven expertise in this field in India itself that, paradoxically, UNIDO has supported earlier on and also utilizes for international assignments. While the cluster related Indian expertise and experience is indeed recognized by the UNIDO manager of the automotive project, the evaluation mission was informed that cluster development in the automotive industry sector is different.

As regards the location of the international cluster development expert (ICDP), the evaluation team is and remains of the opinion that the coordination, training and monitoring duties of this international expert in a project of this size need to be carried out close to project operations and together with the national project coordinator (in India) rather than be HQ based. Concerning the expert's duty to communicate achievements and ensure linkages with other similar projects implemented by UNIDO elsewhere, it is the team of experts (national and international) based in India that will be able to contribute to and learn from strategic issues/methodology development pertaining to UNIDO interventions in this field world wide, using modern communication technologies (thus not justifying the location of this international expert outside India). The same argument applies to the international expert on SME and supplier development (UNIDO-ACMA programme), also planned to be HQ-based, which would deprive both the national programme manager and the UNIDO Regional Office of key expertise and assistance needed to locally guide and monitor the project.

Ownership

The involvement of the GoI in both country-level and individual project design shows a high degree of national ownership. The fact that the Indian stakeholders were/are actively engaged in consultations with UNIDO HQ as regards several major pipeline projects is an indication of their interest and participation.

Moreover, as indicated in Chapter I.4, India-funded projects constitute a large and growing proportion of the portfolio of PSD projects. This funding is mobilized not only through India's voluntary contribution to the Industrial Development Fund, but also through cost-sharing by project partners themselves. Such self-financing is of course important evidence of client involvement. At the level of beneficiaries, the case of the automotive components projects is to be mentioned: by paying a fee for the training and plant level coaching, they show interest in and commitment to project objectives.

However, also some issues are to be raised in this regard. Several project partners questioned why they had no or little information on the status of the budget after transfer of the funding by India to UNIDO. As “owners” they thus expressed a degree of dissatisfaction of the manner in which UNIDO reported on the funds and their utilization. Such gaps in information were reported to have contributed to delays in the internal approval process by India of some of the pipeline projects. In general, transparency as regards budgets and their status is considered good practice in project management and concerns both donors and recipients.

The degree to which the counterparts were/are engaged in actual project steering and monitoring varied in terms of intensity and depth. No steering committee mechanism was found to be operational in the case of the automotive components project (Phase III). The project operations were rather loosely anchored to the main partner organization in this third project phase (Automotive Components Manufacturers Association of India, ACMA) – something which will be discussed in more detail under efficiency. However, it is to be recognized that it is ACMA that continued funding the support to the last groups of companies (beyond the closure of Phase 3) in order to properly complete the 30 month coaching cycle as per the project approach, which is an indication of ownership. This being said, as per verbally obtained information, this expertise is paid from the accumulated cost-sharing contributions made by participating companies.

The steering committee of the “bamboo project” seems to have underestimated a number of critical issues/problems as regards this project from the design stage onwards, yet its current Chairman (Secretary, North Eastern Council) is interested and committed for this project to generate results and seeks to this end a project revision where needed.

In the case of the consolidated SME project, the project is physically integrated in premises of the Ministry of Micro, Small and Medium Enterprises and counterparts are actively involved in the steering. Uncertainties as regards the transfer of the final installment by the donor (Italy) at the time of the evaluation have been meanwhile resolved and Italy has now agreed to release the remaining balance. The planned completion of the project has been adjusted accordingly (now scheduled for March 2012).

As regards the Integrated Cluster Development Project pipeline project, whereas its conception has followed a participatory approach, the fact that its funding is pending for more than one year seems an indication of ‘in-house’ issues on the content and/or budget of this programme that are so far unresolved.

The fact that DIPP recently decided to intensify coordination and monitoring by calling periodic meetings bringing together all India-based project managers indicates interest, involvement and commitment.

II.3. Efficiency in implementation

This sub-chapter will discuss how economically ***resources***/inputs have been converted to results.

II.3.1. Environment and Energy

POPs related projects

The project 'Development of a NIP in India as a first step to implement the Stockholm Convention on POPs' (project number GF/IND/07/004) is subject to a full project evaluation during 2011 and will also be part of the up-coming thematic evaluation of POPs projects. Therefore, it is not in the remit of this evaluation to undertake a full project review but rather to identify pertinent issues.

The NIP implementation project started in August 2007 for a period of two years but was extended until 31 December 2010. At the start of the project, delays occurred due to lengthy GEF approval procedures (five years from 2002 to 2007 from the preparation of the project document to the endorsement by GEF of the full project) and the long time needed to sign all sub-contracts with various governmental agencies and the establishment of the Project Steering Committee. Delays in the completion of the inventories of dioxins and furans and DDT and other pesticides further added to the time lag. The high number and geographical spread of the industrial sectors responsible for dioxin and furan releases complicated the inventory. The inventory of POPs pesticides was also delayed, mainly due to long use of these pesticides including DDT, which is still produced in India[12]. More importantly, the preliminary results of the full evaluation of the POP project show that poor formulation of the contracts and unsatisfactory project review and monitoring procedures were also significant factors of the delays experienced by the project[13]. As a consequence of these delays, India could not meet its international obligation adopting the NIP within two years of the entry into force of the Stockholm Convention. However, GEF has agreed to start the implementation of post-NIP activities in India before the actual finalisation of the NIP, which allows for making up for some of these delays.

The NIP implementation project lays the necessary foundation for ongoing and new GEF-funded POPs projects in the country. These are at various stages of development. Two of these are covered by the present evaluation, one on PCB and one on medical waste. The project preparation for the full size project (FSP), Environmentally Sound Management and Final Disposal of PCBs in India (project number GF/IND/08/010), was to be operationally completed on 31 December 2010. Remaining activities for October-December 2010 included preparation, production and dissemination of promotional materials for the PCB project and proceedings of meetings. It is rather surprising that the starting date for the FSP (project number GF/IND/10/001) is recorded as 15 January 2009 pursuant to UNIDO database and January 2010 according to GEF database, that is respectively two years or one year before the Project Preparation Grant (PPG)

[12] Request for extension on project milestone, non-dated
[13] Draft India NIP Evaluation, 1 March 2011

project ended. A PPG has been approved for the preparation of the Environmental Sound Management of Medical Wastes in India and was operationally completed on 18 August 2010.

The PCB and Medical Waste projects are at a too early stage for assessing the efficiency. However, some remarks can be made on the way objectives and outputs are defined in the project document.

The PCB project aims at reducing or eliminating the use and releases of PCBs and related effects on the environment through environmentally sound management and disposal of approximately 2,700 tons of pure PCBs and 5,000 tons of PCB-contaminated equipment, in three pilot states. The main institute in charge of executing the project, the Central Power Research Institute (CPRI), an autonomous body under the Ministry of Power (MoP), located in Bangalore, has already been involved in the development of the NIP for the part related to PCBs and has experience in the management of PCBs oil and other PCB-containing hazardous materials through its research and consultancy activities in the field of electrical equipment and related materials.

The visit to CPRI facilities as part of the evaluation mission indicated that the Institute has the equipment and trained staff needed to fulfil its tasks under the project. In particular, CPRI's expertise and established relationship with the power industry facilitated the collection of information for the preliminary inventory of PCBs and PCB containing materials conducted during the NIP preparation and subsequent research for the preparation of the PCB project. Besides, the institute managed to overcome resistance from the industry to provide information by involving central and State governmental bodies. This being said, it should be noted that a detailed PCB inventory should be completed only for three states within the framework of the NIP implementation project[14]. Provisions for updating and completion of the inventory are rightly included in the new project document, which will allow addressing possible margin of errors and changes in the quantities of PCBs to be treated.

On the whole, the PCB project document clearly defines the objectives and outcomes of the project. However, several issues have been identified, which should be addressed during implementation.

With regard to the legislative component, there is potential overlap with the work already done for the preparation of the NIP, as both projects provide for the review and assessment of the legal and regulatory framework. Quite a large budget is allocated to this component (USD 682,450), which is defined only in very general terms in the project document, running the risk to duplicate previous activities. The coordination between the projects to avoid duplication is seen as the responsibility of CPRI, which is involved in both the NIP implementation and the PCB projects.

The project document includes a business plan. However there are still many uncertainties in particular as to who will be responsible for decontamination of PCBs containing waste, identification of private partners and the definition of the

[14] See Request for CEO Endorsement/Approval FSP, resubmission date:25 Nov. 2009, Annex C

terms and conditions of their involvement. This aspect is particularly important in relation to the involvement of the industry where the stationary facility will be located. Some preliminary activities are currently being undertaken[15], which should shed some light on these issues. These include a vendor workshop on technologies, organized in August 2010 and which served to select technology for destruction, as well as discussions within the MoEF and UNIDO on project arrangements and responsibilities.

The project has a significant equipment procurement element as USD1 million are allocated to purchase of equipment. One key prerequisite for achieving the project objectives is that all the equipment is provided on time to the operating entity, CPRI. Considering the delays experienced in several previous projects with the procurement of equipment, there is a risk that the same problem occurs.

Finally, there are potential issues linked to the local population's perception in relation to health risks, in particular during transportation and aggregation of PCB waste. The project document provides for awareness raising activities targeting, among others, the general public through media and internet, but does not identify stakeholders' concerns in relation to PCBs transfer and transport to disposal sites as a risk to the project.

Concerning the medical waste project (project number GF/IND/09/005), it is only in a preparatory phase but the project document was made available to the evaluation team. The overall objective of the project is to reduce and ultimately eliminate the releases of Unintentionally Produced POPs (UP-POPs) and other pollutants in the atmosphere. It aims at promoting the country-wide adoption of Best Available Technologies/Best Environmental Practices (BAT/BEP) in the health care institutions, medical waste management infrastructure and industry. The project document builds on thorough baseline information collected through a survey of 57 common biomedical waste treatment facility (CBWTF) incinerators which represent 40 per cent of all CBWTFs of the country and detailed assessment studies in the five selected States[16]. The Ramaiah Medical College and Hospital will be the executing agency. The Ramaiah College is a private institution, which has already been involved in related projects, notably with the World Health Organisation. It benefits from hands-on expertise on medical waste management and, more generally, an extensive knowledge of the local conditions and the medical industry.

The project document lacks clarity on the issue of treatment and disposal technologies. Although interviewees and the project document referred regularly to non-burn technologies, the description of outcomes and outputs do not clearly indicate to which extent such technologies will be actually promoted and demonstrated. While developed countries are moving toward non-incineration technologies to reduce air pollution arising from incineration of hazardous biomedical waste, looking at improving waste incineration may constitute a disincentive to consider alternatives. To give emphasis to the components of the

[15] Given the lack of certainty regarding the end date of the PPG project, it is not clear under which project these activities are taken place.
[16] Gujarat, Karnataka, Maharashtra, Orissa and Punjab

project targeted at alternative technologies and good practices (e.g. waste segregation) would contribute to the credibility of the project.

In addition, the incineration of medical waste has already raised concerns in India and remains a sensitive issue[17]. As a consequence, information to and consultation with the local population is a key element of the project. The project document foresees targeted awareness raising campaigns for the least educated through their community leaders in the five selected states. However, one can question why these are limited to the second and third years of project implementation, while this activity should span at least over the fourth year and could start earlier in order to avoid any misunderstandings up-front. Furthermore, there is no justification as to why the campaigns should be limited to the 'least educated'.

Another aspect of the project which deserves particular attention is the extensive reference to public-private partnership (PPP) model. The number and diversity of activities which are planned to be carried out on the basis of PPP according to the project document is indicative of the inconsistent and confusing way the concept of PPP is used. PPP are thought for (a) developing appropriate curriculum and syllabus for undergraduates and postgraduates in medical waste management, (b) providing uninterrupted services and supplies in medical waste management, (c) transport of medical waste from healthcare facilities to CBWTFs, (d) medical waste disposal, (e) medical waste disposal technology and (f) manufacturing medical waste disposal equipment. A number of issues have not been considered in the project document such as the relevance, adequacy and effectiveness of the PPP model for each of the activities listed, commercial viability and incentives for private sector. The relationship between the extensive use of PPPs and other outputs aiming at demonstrating "participatory funded and integrated systems for medical waste management and disposal" is not clarified.

From the project document and interviews with various stakeholders, it seems that co-financing by other donors has not been entirely secured. In this respect, the role of UNIDO in providing support to attract funding is seen as essential by the GEF Focal Point and this is an example where UNIDO can bring value added.

Finally, similarly to the PCB project, equipment procurement is a significant component of the medical waste project. Consequently, any delay in the procurement process will delay the introduction of alternative techniques, a risk identified by the project logical framework.

Ceramics project

The Programme to Support Energy Efficiency and Quality Standards in Ceramics Small and Medium Scale Industry (project number US/IND/05/001 and TF/IND/07/001) (Ceramics project) started in January 2005. The project

[17] See for example Medical-waste incinerator spews poison, Anil Singh, 12 October 2009, Times of India (http://timesofindia.indiatimes.com/city/mumbai/Medical-waste-incinerator-spews-poison/articleshow/5113527.cms)

supported three ceramic clusters, Thangarh and Morbi in the State of Gujarat, and Khurja in the State of Uttar Pradesh, by introducing energy efficient technologies and processes, undertaking energy audits, improving quality standards and establishing market linkages with a view to improve competitiveness of the ceramics small scale units and mitigate greenhouse gas (GHG) emissions. The project was principally funded through DIPP (USD 400,000) and the National Council for Cement and Building Materials (NCCBM) (USD 200,000).

The project was operationally closed since July 2010 but some activities were still on-going in November 2010, in particular the finalization of various information dissemination products (publication of a Summary Manual) and the procurement of equipment for capacity building of the NCCBM. The project was extended by 1.5 years. Delays in the implementation were mainly due to the non-disbursement of committed funds by NCCBM and by the inability of the industrial clusters to release sufficient funds in time[18]. The project was subject to an end of project evaluation in July-August 2010, and the assessments in the framework of the current evaluation focused on a review of the results of this end-of-project evaluation and the finalization of the project. No progress reports were available.

The project worked closely with CGRI. The choice of CGRI as a key partner in the project is a very positive element, given that this institution is well-known and recognized by the industry, and has a local presence. CGRI's very active role was acknowledged across the three clusters. Its involvement should be sustained in the up-coming project Promoting Energy Efficiency and Renewable Energy in Selected Micro SME Clusters in India, which, amongst others, plans to include the three ceramics clusters already covered by the Ceramics project. Industry associations also played a role in information dissemination, at least in Mori and in Thangarh. However, this was not the case in Khurja.

The project organized a study tour in China (22 people including 18 ceramics manufacturers) and participation in international exhibition at Orlando, USA (7 manufacturers from Morbi). The final evaluation noted that better planning in terms of relevance of exposure could have resulted in much more enthusiastic response to adopt new technologies and standards across the units. This was confirmed during interviews at Khurja. Similarly, it was noted that learning from these trips was restricted to attendees with no evidence of information sharing with other units in the cluster. An initiative which was very much appreciated across the units was the visit of experts from international kiln manufacturers. Training was also considered as very effective, with noteworthy participation of local service providers in energy efficiency. The workshop on lean manufacturing concept organized in Thangarh and Morbi had a limited impact, which may be linked to the lack of follow-up as the project coordinator was transferred.

The procurement of equipment (dialometer, thermal conductivity equipment and PCE furnace) for NCCBM has been subject to important delays and was not finalized before the end of the project. According to NCCBM, the list of equipment was already agreed in July 2008. However, no offers were received after the first

[18] End project evaluation report on National Programme to Support Energy Efficiency and Quality Standards in Ceramics Small and Medium Scale Enterprises (SMEs), India, August 2010.

call and a retendering process had to be carried out in November 2009. At the time of the evaluation, the equipment has been delivered, but not installed. The delays in the installation of the equipment have direct consequences as to the extent of the equipment guarantee as, according to the contract, the guarantee period would run for 12 months from installation or 18 months from delivery.

It is not clear why it took more than two years to get the equipment through an international open tender managed by UNIDO. Such delays should have been avoided as they prevented the use of the equipment during the implementation of the project e.g. for testing the fiber material used in kilns in the replacement of bricks. The equipment will only be used for fee-based consultancy services, in the future.

A Summary Manual on 'Quality Standards, Testing Procedures and Environmental, Health and Safety Practices for Ceramic Industry in India' has also been produced under the project. This is a useful product as it can serve as a reference book for existing ceramics units. Besides, the Manual has been translated into Hindi and Gujarati to facilitate usage. However, only a very limited number of copies has been issued and it is regrettable that no budget was available to produce more copies. That would not have been a very costly measure and would have helped raising awareness in the industry. Several stakeholders were not aware of the existence of the Manual at the time of the evaluation.

Coal Bed Methane Project

The Coal Bed Methane recovery and commercial utilization (project number GN/IND/98/G34) (Coal Bed Methane project) was funded by the GEF, UNDP and the GoI with a budget of USD 15 million. The main objective was the reduction of methane emission by demonstrating and developing the capabilities in India to effectively capture and utilise coal-bed methane (CBM). UNIDO, Vienna was appointed in September 2000 as project equipment procurement agency and to provide other support services, receiving a 3 per cent commission on the actual cost of the international equipment procured. A Chief Technical Advisor (CTA) and six international experts were appointed by UNIDO in September 2000 for support in preparing the tender packages and technical specifications for the equipment and for evaluating the bids.

There are varying opinions as to UNIDO's technical expertise. While some interviewees have praised the support received from UNIDO on the technical side, in particular in terms of exposure to advanced technologies, others considered that the experts provided through UNIDO were not experienced enough and 'got experience through the project'. This remark is linked to the fact that this is not a core area of competence for UNIDO, but also that, due to limited resources, UNIDO had to find creative solutions to address the lack of response to the tenders, using students from Austrian Mining University and dismantling the package into different lots.

There have thus been extensive delays in the implementation of the CBM project, which started in September 1999 and was due to end in September 2004. It was extended several times and was finally closed in December 2009. These delays

are documented in the Mid-Term and Final Evaluations of the project. Outputs have been downsized, in particular, due to technical constraints and the fact that as part of the equipment could not been procured, the demonstration component of the project was reduced (the number of GOB wells was reduced from 10 to 2 and the vertical CBM wells from 17 to 7 (2 at Sudamdih and 5 at Moonidih). The long delays are partly explained by UNIDO procurement rules including the absence of a proper mechanism for cost escalation in case of delays in procurement or safeguard clauses in case of failure of the selected supplier to deliver properly functioning equipment (e.g. bank guarantee). As stated by the terminal evaluation report[19], while UNIDO's rules did slow down the procurement process and this affected the implementation of the project it has to be borne in mind that tender rules of both international agencies and national governments do generally require strict compliance wherein transparency and fair deal gets precedence over prompt procurement. Besides, other factors should be mentioned, in particular the unrealistic cost estimates at the time of project design, the lack of detail of the project documents and procedural requirements for budget revisions.

Cleaner Technology Promotion

The project 'Cleaner Technology Promotion in India' (project number US/IND/02/001) is financed by the Swiss State Secretariat for Economic Affairs (SECO). The project aimed at promoting the transfer of cleaner technologies not yet commonly in use in India from Switzerland and other OECD countries and covered three sectors in two regions (dye and dye intermediates in Gujarat and automotive supply and cogeneration in Karnataka). It included two phases with one extended period between the two phases, with two project extensions up to December 2009 and December 2010, and there were five budget revisions. The project had limited activities during the last year and was due to be wrapped up with a final presentation in January 2011.

A 2004 mid-term evaluation[20] concluded the necessity to refocus and redirect the project. Despites commitment and good will from all stakeholders, the evaluation revealed frustration and confusion, with many of the service providers loosing face with their clients. The project management system was considered as inappropriate and lacking accountability and transparency. The technology transfer process was seen as too technical and not fully adapted to the Indian context. The project was also covered under the 2007 Evaluation of the UNIDO/UNDP Cleaner Production Programme. The evaluation noted the widespread frustration of the Centre, the national and State governments and participating industries on the lack of clarity regarding teh completion of the project. It also provided evidence of results at output and outcome level but some very limited evidence for impacts. The previous evaluation of the India Country Programme also reviewed this project. Therefore, especially in view of the

[19] Terminal Evaluation Report, July 2009, Dr MM Seam, National Consultant/Team Leader, Dr RP Verma, National Consultant

[20] Mid-term review Cleaner Technology Promotion in India, US/IND/02/001, Gujarat and Karnataka, India, Donal O'Laoire, 22 November 2004

evaluation carried out as part of the 2007 Evaluation of the Cleaner Production Programme, an individual independent evaluation was not deemed necessary.

The project was practically stopped from 2004 to 2008. It was revised and restarted in 2008 with a focus on Gujarat. The new approach agreed amongst partners consisted in building on the existing success stories. While the main objective was still to promote cleaner technologies, it was not restricted to OECD-country technologies anymore. The role of UNIDO in this second phase was more of a facilitator, with a more important role played by the Gujarat Cleaner Production Centre in the implementation. Given the difficulties encountered during the first phase of project implementation, the new strategy allowed to achieve results within the limited time and resources left.

Voluntary Greenhouse Gas Accounting

The project 'Voluntary initiative to promote greenhouse gas accounting and low carbon gas production in sectors of Indian industry' (project number US/IND/09/008) is a two-year project also financed by the Swiss State Secretariat for Economic Affairs (SECO). The project aims at improving resource efficiency and environmental performance of businesses with a focus on verifiable accounting of greenhouse gas (GHG) emission reductions in four selected sectors (cement, pulp and paper, chemical and automotive). This is to be done through awareness raising, capacity building activities and implementation of pilot GHG accounting based on internationally accepted methodologies in the selected industrial sectors.

The project started with some delays as the funds were only released in June 2010 and, due to the summer break, the project operationally started only in September 2010. Therefore, it is already likely that an extension will be needed, at least for six months.

Promoting EE/RE in Selected MSME Clusters

The project document for this Full Size Project 'Promoting Energy Efficiency and Renewable Energy in Selected Micro, Small and Medium Enterprises (MSME) in India' (Promoting EE/RE in Selected MSME Clusters) (project number GF/IND/09/003 and XP/IND/09/005) was re-submitted to GEF Secretariat in December 2010. The project objective is to develop and promote a market environment for introducing energy efficiencies and enhanced use of renewable energy technologies in process applications in twelve selected energy-intensive MSME clusters (within five sectors: ceramics, hand tools, foundries, brass and dairy production) with expansion to more clusters later on in order to improve the productivity and competitiveness of units as well as to reduce overall greenhouse gas emissions and improve the local environment.

The objectives and outcomes of the project are well defined. Although not clearly stated in the project document, some of the lessons learned under previous projects are incorporated in the project document e.g. the importance of adjusting EE/RE technologies to local needs and of involving industry associations. Links and potential synergies with national initiatives such as one of the missions under the National Action Plan on Climate Change, the 'National Mission for Enhanced Energy Efficiency' or the BEE's SME Programme, and other international projects

such as the GEF/World Bank project on 'Financing energy efficiency in SMEs' are thoroughly analysed. In particular, the BEE, which will be the executing agency for the project, is at the same time the nodal agency for the National Mission for Enhanced Energy Efficiency and, as such, should ensure proper coordination within the framework of this nationwide policy, but also with its own SME programme, which also targets the adoption of EE technologies and practices in selected MSME clusters (including some covered by the project) through a market-driven strategy.

II.3.2. Private Sector Development

This sub-chapter continuous the discussion on how inputs have been converted into results, highlighting a number of strong points as well as areas of improvement.

Consolidated project for SME – TE/IND/04/001

In budgetary terms, the Consolidated project for SME – TF/IND/04/001 was the largest one in the PSD portion of the portfolio (totaling almost USD 3.5 million). At the time of the 2006 CSF evaluation the project had been approved but was in a start-up phase. Whereas Italy agreed to fund the project as far back as in 2002, project operations could only be launched after receipt of the first installment in 2005. Similarly, the disbursement of the very last installment, by the donor, was experiencing delays, which affected planning of the forthcoming "wrap-up phase". At the time of the evaluation about 96 per cent of the first three installments had been spent and the funding received by UNIDO corresponded to about 77 per cent of the total project allotment committed by Italy.

Yet to be determined is the timing of the mandatory individual independent evaluation that is expected to assess project performance in detail (for which the current country evaluation did not have the mandate or the time allocation). It is to be noted that during the last Steering Committee (SC), the GoI - through the Ministry of MSME- suggested that an independent evaluation be conducted. Given a decision to extend the project until March 2012, this project evaluation is now scheduled for end 2011 or early 2012.

The project was in principle to close end December 2010 but discussions on extension of the project duration have been ongoing since mid 2010. At the time of the evaluation, decisions of the donor as regards the remaining balance of around USD 500,000 were awaited. Meanwhile Italy has agreed to release the remaining balance and the project completion is now scheduled for March 2012.

Identification and recruitment of the project's chief technical adviser (CTA) took some time and the person was not fielded until August 2006. The CTA works with a team of national experts, supported by short term international and national expertise in accordance to the needs of the different project components: cluster twinning, investment promotion and mutual credit guarantee schemes.

The evaluation team got the impression that there is a good project team spirit both at the field level and at the level at UNIDO HQ (involving different branches).

Also the active role of the UNIDO Regional Office as regards the project is to be mentioned, including coordination as well as direct involvement of 2 JPOs (ending 2011). One JPO with PSD experience (Italy) was assigned to the SPX activities and the other JPO (Japan) with Finance background was assigned to the private equity component and was actively involved in this component of the project.

The range and number of areas and activities covered by the project is vast and, correspondingly, the project has worked with a large number of public and private partner institutions at the national, state and local levels. This is in part the consequence of the fact that the project bundles different project ideas developed in parallel under one umbrella (hence the label "consolidated") and involves different technical units in UNIDO HQ. At the start of its implementation, the initial concept included the establishment of an investment promotion unit, but this was not considered very appropriate for a large country like India and the investment promotion focus was changed. The actual project focus basically consists of three project blocks: (i) Cluster Twinning (CT) in the leather and footwear sectors focused on capacity building of associations and promotion of business partnerships, (ii) Investment and Technology Promotion (ITP) covering inter alia the introduction of enterprise benchmarking tools and organization of supplier upgrading activities through subcontracting and partnership exchanges (SPX), and (iii) the design of Mutual Credit Guarantee Schemes (MCGSs).

There was found to be a discrepancy between the vast scope and wide coverage of this project and its budget and time line. Whereas funding over a period of some four years was sizeable, the range of areas and themes to be covered by the project was found to be very (too) wide. It appears that the project stakeholders encouraged an approach based on piloting various initiatives in different fields, geographical locations and sectors, with a view to understanding their effectiveness for further scaling up and replication. This would explain the wide coverage of the project. This approach will be continued, as the donor has requested UNIDO to develop another "pilot" activity in the area of Corporate Social Responsibility (CSR), within the framework of the project.

The option to go beyond pilot interventions (such as in the cases of a supplier development initiative in the automotive components sector and capacity building in the leather and footwear sector) is limited by the size of the project budget. As support to the actual establishment of a pilot MCGS seems a logical next step considering the design effort undertaken as regards a national MCGS, the project is developing 2-3 pilot MCGS operations at the local cluster level. It is clear that TA funds are not intended to actually "fund" MCGS operations.

In terms of project monitoring, the SC met regularly (on an annual basis and in 2010 even twice) and its discussions and decisions were in each case based on a detailed project progress report, including work plan and budget related information. As mentioned under the "ownership" section above, the donor was not represented at the most recent SC held in November 2010.

The project can be seen as an illustration of the search for synergy among different UNIDO services and there was a deliberate effort to bring about intra-project linkages. There were a few linkages, both within the project (between the

CT and ITP components) as well as with other UNIDO projects in India (in the form of the use of national expertise in the cluster development and automotive components projects). To illustrate, the MCGS related work is conducted in an integrated manner with the ITP component. A pilot initiative in Pune involves both the MCGS component and the effort of establishing the SPX. Still, the depth of these internal and external synergies is a cause of concern. The rationale for UNIDO to undertake parallel supplier upgrading efforts in the automotive components sector in the same State (the case of Chennai) through different projects[21], using methodologies that have similarities yet were different, is not clear. According to the project managers, the different projects targeted different tiers of suppliers (the ones supported by this SME project being the less advanced suppliers compared to the UNIDO-ACMA programme). Still, as both UNIDO and DIPP have emphasized the need for the UNIDO programme to work in an integrated fashion, more convergence could be expected (well beyond the use of the same experts), especially as regards projects supporting the same sector.

Given time and budgetary constraints, the evaluation mission was not in a position to assess the modus operandi of the SPX mechanism used for inter alia initiating supplier development activities. SPXs are in the process of being set up within the context of this consolidated project in New Delhi, Pune and Chennai and within private sector associations. Certainly, the results of the profiling of some 150 automotive companies in Chennai and additional 120 companies in Pune and New Delhi through a partnership with the Confederation of Indian Industries (CII) - where the SPX's are anchored – will constitute very relevant information for the forthcoming large-scale second generation Partnership programme in the automotive component sector, to be funded by India.[22]

Project to support the implementation of Government of Orissa's Industrial Policy Resolution – 2001 (Investment Promotion component) -

The project (TF/IND/03/002) was funded by DFID and had a total budget of USD 1.7 million. It was part of a larger DFID programme – with multiple components and implementation agencies. It is to be noted that the 2006 CSF evaluation assessed the design and implementation of this project up to end of 2006. At that time, reference was made to delays in implementation (cf. report of May 2007). The current evaluation allowed for an assessment of the project's performance up to its completion in September 2009 as well as of the post project status of the institution set-up with the support of the project, namely "Team Orissa" (the investment promotion agency hosted in the state agency; the Industrial Promotion and Investment Corporation of Orissa Ltd/IPICOL).

This project constituted a large scale intervention with a vast range of activities, all aimed at building the capacity of Team Orissa. Whereas the duration of the project – including delays in the actual start of implementation – was long (6 years), the experience shows that such institution building support takes time, which justifies its actual duration. Initially planned to cover three years (as of the

[21] The consolidated project for SME and the different projects pertaining to the automotive components sector

[22] Supporting SMEs in the automotive component industry in India, 2010 – 2017 (in three phases)

effective commencement), the project was extended in 2008 up to March 2009 and lasted de facto until September 2009.

The extension included additional DFID funding to (i) consolidate the UNIDO capacity building component and (ii) take over the implementation of another component of the larger DFID programme, namely the Single Window Industrial Facilitation Component (previously entrusted to Pricewaterhouse and Coopers/PwC). The latter covered the completion of a Project Management Information System (PMIS) required for both the single window facility for investors and the investment promotion functions of Team Orissa.

Reporting on this project (since 2007) is found to be rather incomplete. Information on overall progress over the past years was extracted from documentation concerning the 2008 project revision. Also, there is not yet a comprehensive terminal report. Moreover, no self-evaluation was undertaken and it is not understood why a large scale project of this type would not plan for and include the mandatory individual project evaluation. DFID's own independent review (2008) of its programme in Orissa (that included several other components as well) can certainly not be considered a substitute of a UNIDO project evaluation. It is uncertain whether the Government of Orissa and DFID will solicit UNIDO's involvement in the successor programme "OMEGA" that is currently in its preparatory phase. The evaluation team was informed that UNIDO contributed to the formulation of the successor support in the field of SME and investment promotion, yet so far there is no sign that it is being considered as an implementation partner.

Apart from regular backstopping missions during which consultations were held with the main stakeholders, there is no information as to what extent periodic steering committee meetings were held. Frequent changes in IPICOL leadership (the evaluation team counted no less than six Chairmen during the project lifetime) certainly did not foster smooth steering of this project.

Focus of the project was on capacity building of a new institution, including training of core staff. Of the range of training activities undertaken, the appropriateness of one-week training on COMFAR is questionable as the staff of the investment promotion agency is not involved in appraising the feasibility of investment proposals. In general, the beneficiaries considered the training sessions as "too short" (2 or 3 days). In terms of networking, no linkage seems to have been created with the Investment and Technology Component of the Consolidated SME project (TE/IND/04/001) backstopped by the same unit in UNIDO HQ), such as participation of the Team Orissa beneficiaries in some of the events organized by the above Consolidated SME project in New Delhi or elsewhere in the country. Also, the networking of Team Orissa with other institutional partners, particularly at the international level, was found to be deficient and counterpart expectations as regards UNIDO's ability to forge such linkages were not fully met. Others however pointed out that several attempts to organize a mission to Japan to operationalize the cooperation with the Japan External Trade Organization (JETRO) in association with UNIDO's Investment and Technology Promotion Office (ITPO) in Tokyo failed, as approval of the Orissa authorities for such missions did not materialize. As regards the Investors'

Survey, its focus was on new investors as compared to established businesses (the latter said to be covered by a World Bank (WB) survey).

MSME Cluster Development Programme in Orissa

The 2006 CSF evaluation covered a detailed assessment of the design and implementation (up to end 2006) of the MSME Cluster Development Programme in Orissa –TF/IND/04/048, which was operationally completed in the end of 2007. The project had a budget of USD 1,038 million and focused on capacity building of counterparts. The current evaluation constituted an opportunity to assess in particular "post project performance".

The active involvement and use of national technical advisors facilitated the transfer of experiences and tools with regard to cluster development and gained elsewhere in India. Lessons from other clusters, such as the Chanderi handloom cluster, were integrated in the Orissa project strategy. Formal training, exposure visits and "handholding" of various Departments of the Government of Orissa involved in the project (including the Departments of Handlooms, Handicraft, and Industries) were found to be useful and appreciated by the local stakeholders. The involvement of a local management institute (Xavier Institute of Management/XIMB) in training of cluster development agents (CDAs) was an appropriate choice in view of the sustainability of such training activities.

The approach to use CDAs of the directly assisted clusters as advisors in the indirectly supported clusters was interesting, not only in terms of efficiency but also from the point of view of scaling up and working towards sustainability as an integral part of the project strategy. An issue that caused at the time some frustrations concerned the major difference in remuneration between those involved in direct cluster support (project contracts) versus those involved in indirect cluster development (the latter said to be at a remuneration level of about one fourth of the former).

A concern raised by several counterparts was that the capacity strengthening efforts had been (too) short. Several stakeholders mentioned that the project closed prematurely, giving them the impression that UNIDO wanted to show the donor that work could be delivered faster than expected (whereas the local authorities wanted an extension of the project).

The final report of the project (July 2008) covers an overview of the project interventions in each of the four directly supported clusters (stone carving, handloom weaving, machining and fabrication and non-timber forest products), the indirect assistance through the different Departments (Directorates) as well as lessons learned in each case. The report is comprehensive and informative.

Support to small and medium sized manufacturers in the automotive component industry in India – UNIDO Business Partnership programme (Phase III)

This evaluation assesses the tail-end part of Phase 3 of the Business Partnership programme in the automotive components sector – SF/IND/04/002. The programme was initially designed and launched as a FIAT Magneti Marelli - UNIDO – India partnership, in 1998, involving in India the Automotive Component Manufacturers Association of India (ACMA) and the Automotive Research Association of India. In the first phase, the initiative also included other partners such as a French business school (INSEAD) and the International Business Leaders Forum (IBLF). In subsequent phases the configuration of partners somewhat changed and included primarily the Government of India (Ministry of Heavy Industries and Public Enterprises), ACMA, to some extent also the Confederation of Indian Industries (CII) and UNIDO. It is not clear from the documentation and interviews why the roles of the initial programme partners gradually phased out. As regards the end of the involvement of Magneti Marelli, a subsidiary of FIAT specialized in automotive components, this could be explained in terms of reluctance on the Indian side to be linked to one particular transnational corporation.

In terms of timing, implementation started with a pilot phase (1) from 1999-2000. Thereafter there was a slight gap that can be alleged to the departure of the project manager (who actually designed the initiative) and time needed to appoint his replacement. Phase 2 was to cover three years (2002-2004) yet was further extended and its extension became de facto phase 3 (initially for the period 2004-2007 yet duration stretched out to 2010 without an additional budget allocation).[23]

The third phase ended with a closing seminar in November 2009, although in real terms the project operations are not fully closed: (i) two industry counselors were in the process of completing the coaching cycle of the last group of companies in respectively the southern and western region, and (ii) a local team including the last project coordinator, a former national expert and staff of a local partner institution (The Energy and Resources Institute/TERI) were completing, in consultation with UNIDO HQ, the final project report. As the project was officially closed in March 2010, the fees of the above mentioned local experts and their local travel are now paid by ACMA.

Project monitoring and reporting were found to have both strong and weak points. The decision to commission Pricewaterhouse and Coopers to conduct an impact assessment at the end of Phase II (2006) was very appropriate and this independent stocktaking was useful for the next phase (see findings in the section on effectiveness). The delays incurred in producing the final report of the third phase are understandable: (i) the project experts involved in collecting data for completion of the final report continue to be engaged in the actual coaching of companies; (ii) the persons involved in completing this final report were not involved in project operations prior to April 2009 and thus needed to "reconstruct" what happened earlier on in the project and assess its results post facto; (iii) data required for the final report (covering information on companies in all three project

[23] Dates based on the respective project documents

phases that spread out over a decade) were scattered and required recontacting the companies and the project counselors (several of whom had left the project and currently have other duties); (iv) enterprise-related data from phase 1 up to and including phase 3 had not ended up in a centralized cumulative data base and, to the extent available, data was not always comparable; and (v) the fact that the three phases had three consecutive managers at UNIDO HQ – with some gaps in between - and three national project directors did not facilitate the maintenance of a robust monitoring system. The final report (December 2010) gives, however, a good overview of all three phases. As this is a final project report, it would have benefited from details on project inputs (including budgets involved and types of expertise used), going beyond the attachment of merely a financial statement from UNIDO's Financial Services. As this project had been covered by the 2006 CSF evaluation, one would also have expected a description of actions undertaken as follow-up to this evaluation rather than a summary of the 2006 recommendations complemented by additional recommendations four years later, at the end of the project.

In conclusion, as regards reporting, the evaluation team sensed a certain paradox between what is taught at the plant level in terms total quality management approaches - which involves detailed recording of data to show results of step by step upgrading - and how the project itself recorded project data and measured performance. This problem is recognized in the final project report, which includes a recommendation to, in the future, put "stronger emphasis on accounting for results by collecting and measuring data more coherently and consistently across firms and cluster, to centralize the interpretation of data, monitoring of progress and reporting on results". [24]

It is regrettable that contacts with enterprises ended after the 30 month cycle of training cum coaching. Once a project phase was concluded, for the next project phase new companies were identified and selected, as if "upgrading was done" as far as the project was concerned, with no post-project tracking how the performance of the participating companies evolved thereafter. Indeed, a survey of participating firms confirmed an interest in occasional follow-up and external checks once the counseling phase had finished.[25]

In terms of overall steering, the planned Steering Committee or Advisory Group was not operational. No trace was found of periodic meetings of such kind (notwithstanding review missions of project managers to India). The counterpart Ministry indicated that the lack of information on the past projects (including their financial status) affected the timeliness of internal decision-making on new forthcoming projects in this field.

Whereas there appears to have been proper institutional anchorage at the start (with project staff located in ACMA), this is considered weak as of phase 3 and both centrally (ACMA) and in the different regions: the fact that project staff has worked from home at least since 2009 was very surprising and is certainly not an indication of a project management approach aimed at capacity building and sustainability.

[24] Project final report, December 2010, page 51
[25] Project final report, December 2010, page 43

Another question concerning institutional anchorage relates to the fact that the UNIDO-ACMA programme is *one* of the "Cluster Programmes for Operational Excellence" [26] that are listed by ACMA's Centre for Technology (ACT) among its service offerings. In addition to the UNIDO one (30 months duration), there is 12 months "SME Cluster programme", a 24 months Foundation Cluster programme" and a 24 months "Advanced Cluster programme". It is true that the UNIDO project was not limited to ACMA members (as is the case for ACT's SME and Foundation Cluster programme), and that different programmes indeed cater to different types of companies. There is no indication that these programmes were compared in terms of demand and results. Some of the UNIDO supported enterprises were said to have signed up, later, on for the advanced ACT programme.

The content of the different programmes (including the UNIDO one) was said to be largely inspired by the same initiative or road map, i.e. a joint Maruti-CII programme launched in 1998 and delivered by a Japanese Total Quality Management expert (Professor Suda) and covering a total of 15 companies located in the Northern and Southern parts of India. In addition to the past and ongoing upgrading programmes organized by ACMA, it is to be noted that there are other supplier upgrading initiatives targeting the automotive components sector (given its current importance and future potential for India), such as the Maruti-Suzuki Centre of Excellence (a buyer-driven effort based in New Delhi), automotive sector related training of the Confederation of Indian Industries (said to focus on tier 2 and tier 3 suppliers). The evaluation mission does not claim to have obtained an overview of the related programmes by business support institutions and Original Equipment Manufacturers (OEMs) and suppliers, but observed that the project documents of the past and planned UNIDO support in this field are rather silent on "related or parallel assistance". It is not understood why it is only in the final report of this long-lasting Partnership Programme (1999-2010) that reference is made to the need for "stocktaking of other support programmes, comparison with the usefulness of the Partnership Programme, and presentation of such results to support institutions and government authorities….. to also yield recommendations for the structure of support programmes or services and to inform and advise policy making, including the development of support programmes for the fine-tuning of business environment or regulatory reforms".[27] Reference is made in the UNIDO-ACMA pipeline project to inter alia CII and Centres of Excellence, both as target beneficiaries and partners. It is to be mentioned that the ACMA programmes – as compared to buyer-driven initiatives – are liked for their neutrality (companies can make mistakes while improving their operations, without this having an immediate effect on their business relations).

[26] In India the cluster concept is used in a wide sense; in the case of these automotive support programmes, reference is made to groups of enterprises in the same or nearby locations that receive initial training as a group, followed by individual guidance at the plant level. Periodic progress meetings take place at the plant level (companies take turns in hosting the periodic meeting), which is an opportunity used for joint learning both at the managerial and plant operators' levels.

[27] Project final report, December 2010, page 46

In line with good practices in delivering business support services, the participating companies have paid for the support from phase 1 onwards. Whereas in the case of the UNIDO-ACMA project, company cost-sharing was calculated as 0.1 per cent of total sales turnover in the year prior to joining the programme (to be paid in 2 installments over a 30 months period into a dedicated ACMA account), the other ACMA programmes apply a fixed subscription amount per year. The latter approach appears easier to manage than the earlier-used payment modality used in the UNIDO projects, although the "percentage share of sales" modality was a more friendly approach for smaller and weaker companies. As at UNIDO HQ there was no information on the status of this account (amount generated and indication of budget items for which these revenues were used so far, such as travel of counselors, extension of project staff), the question was asked by the evaluators to ACMA staff both during and after the mission, but no reply was received to date. To the extent that this cost-sharing modality is an integral part of the project strategy, the fact that the details have not been communicated to UNIDO on a regular basis (or to the evaluation team that explicitly requested the same) is not understood. Should a steering commission exist, the periodic review of the status of the budget would include discussion on the status of the funds generated by the enterprises as well as joint decision making on their use.

It is to be highlighted that the project operations relied to a great extent on national expertise, i.e. local experts with vast experience in the automotive sector. No less than some 80 per cent of the total budget involved in phases 1 to 3 covered national expertise. In this upgrading scheme they constitute the pillars, as they are the ones that act as trainer-coaches of the participating companies (with three visits to each company every two months, totaling 45 visits over the 30 months period, in addition to monthly group meetings of the companies – peer reviews - also attended by the project coordinator). These counselors – trained on the methodology at the start of the project – are a source of concern regarding future projects of this kind, as many of them are not available for such work at this point (having taken on other activities, having returned to the company from where they were initially recruited or having retired). Of the 11 counselors engaged in Phase 3 as project consultants, 2 are completing UNIDO project activities in two of the regions (and it is not clear where they will be employed thereafter), 3 are working in ACMA in different positions (not necessarily as counselors) and the remaining 6 took on other consultancy jobs (some were recruited on a short term basis by the Consolidated SME project). The strategy of the forthcoming projects in this field will need to be fine-tuned in order to find a more sustainable approach as regards the counselors – essential for the ultimate outreach and also upscaling of project interventions. The recommendations made in the final project report include building on established expertise, without mentioning that many of the trained counselors are not necessarily available for future project phases. The idea to build, in addition, a pool of junior trainers raises the question if it is wise to use junior experts in business advisory support. To gain respect and confidence of senior business leaders, advisers need to have solid experience in the sector and be able to provide truly value added guidance. The engagement in a company improvement process was said to require a lot of perseverance and only experts with a lot of industry experience are expected to be able to motivate the company managers. Whereas senior experts can be teamed up with junior experts, it is to be kept in mind that industry experience is

of essence to undertake such counseling. In any event, the UNIDO project manager is aware of the issue and has highlighted that 'junior' does not mean 'inexperienced' and rather means consultants in their mid-40s that would team up with experts with more seniority and longer experience in the sector.

Through strengthening the cooperation with Indian institutions with experience and expertise in this field (as envisaged in the new UNIDO-ACMA programme), it will be possible to identify additional counselors. In addition to the expertise issue, the project manager has stressed the need to review and improve the training methodology. A properly codified training approach would ease the task of training the counselors.

The evaluation mission was not in a position to assess if/to what extent companies in this sector call upon private consultants for delivering upgrading type advice and coaching. The final project report (page 50) mentions that the counseling programme created a market for specialized consultancy services for participating firms, but there is no additional information in this regard.

As regards international expertise, the rationale and justification for long-term international expertise in the forthcoming projects (on top of concerning expressed regarding home-based or UNIDO HQ based positions) is not understood. After more than ten years of programme experience in this field in India and with limited involvement of international expertise, it is not evident why UNIDO substantially increases in the forthcoming generation of automotive component projects the international expert component. If project management is a concern – which it indeed should be, considering the ambitions of the new projects to come – its strengthening should be envisaged close to the project operations, i.e. through long term national and when justified international expertise located in India itself, and not at UNIDO HQ as is presently foreseen. A priori there is no questioning as regards the allocation of adequate resources for international expertise (which can indeed be very well justified), but to the planned location of such expertise. Evidently, it is ultimately up to the donor and UNIDO management to decide on this matter.

Promoting livelihoods in North Eastern India – the Cane and Bamboo Networking Project – SF/IND/08/004, US/IND/08/002 and XP/IND/09/001

The project had in fact two phases, with a gap of four years between the two phases. It is to be noted however that, apart from a continuation of efforts in the same sector and region, the two consecutive projects had different objectives. Whereas the CSF evaluation in 2006 labeled the first project (Cane and Bamboo Technological Upgradation and Networking; 2000-2004) as a "model", the implementation of the second project (that started in 2008) has proven to be far more problematic and for a number of reasons. First, funding announced by the Office of the Development Commissioner (Handicrafts), which is a major donor, has not been received to date. Funding was based on a planned cost-sharing modality together with the North Eastern Council (NEC), DIPP and UNIDO. Only some 50 per cent of the planned budget was, however, made available. There is no firm indication that the intended remaining contribution will indeed be made in the form of a Trust Fund transfer to UNIDO (this modality appears to have been one of the issues that has held back the planned contribution). The delays in

receipt of funding were discussed in the Project Steering Committee meetings, but the project document was never adjusted to this situation of incomplete funding and project operations were undertaken based on the expectation that the remaining budget would come "one day". According to the UNIDO Programme Manager, adjustments to the project document were not warranted, as there was no indication that the Office of the Development Commissioner/Handicrafts was not going to make the planned contribution (apart from procedural delays).

Review of project documentation including of the decisions taken by the Steering Committee (three such meetings held to date) shows that the available work plans lack precision on "who is responsible for which activity and by when the activity is to be completed" and that the implementation of planned activities had major delays. To illustrate, the assessment of CBTCs technical and managerial capacities was supposed to be carried out at the very start of the project, was thereafter programmed for the end of 2009, only to be implemented in November-December 2010. The delays incurred as regards the timing of such work - indeed to be done at project inception yet alleged to be postponed at the request of the project partner– are regretted. In the end, this assessment took place immediately after the visit by the evaluation team and was erroneously taken by the project partner for "another evaluation" (thus gaps in timely communication between UNIDO and the project team as regards the purpose and composition of the assessment).

Based on cluster mapping activities in the Districts of Nalbari of Assam, Mokokchong of Nagaland, locations were identified and baseline studies were conducted for those retained. With the exception of Nalbari, follow-up activities (training) in the retained clusters had not started at the time of the evaluation mission.

It was mentioned that at Nalbari 10 self-help groups covering 145 artisan households were formed. But while visiting Nalbari, the evaluation team became quickly aware of a number of major problems of both managerial and technical natures. Earlier complaints from stakeholders were repeated to the evaluation mission and copies of complaint letters made available. Even if the mission was later informed that these complaints had been brought to the attention of the Steering Committee (Chairman) by UNIDO, the fact is that, at Nalbari, the stakeholders felt abandoned and earlier complaints were passed on to the visiting evaluation mission.

It is not clear to what extent the target beneficiaries had been informed or misinformed at the start of the interventions. Some villagers said to have donated land in the hope that their children would get jobs, implying that an erroneous impression was created that some type of factory was going to be set up in the cluster. From the side of CBTC, locals were said to have no interest, which tends to contradict with the observations of the evaluation team during the visit to the cluster.

The fact is that the target beneficiaries have (too) high expectations, have shown commitment by donating land, yet the results so far are below expectations and the project activities in Nalbari are even on the wrong track according to the

observations of the evaluators. The link between the project and the funding for common facilities available through the National Bamboo Mission budget was in principle relevant, but apparent pressure to spend the Bamboo Mission resources resulted in a virtual white elephant situation: a bamboo treatment plant put in place but not utilized; a big workshop built – somewhat surprisingly not on same plot of land as the treatment facility – with a vast range of equipment that has not been used beyond the training conducted in early 2010 (the range of equipment is in fact likely to exceed what the artisans need); no indication who manages the facility (that is locked up); a signboard at the entrance put up very recently having UNIDO's name as if UNIDO co-funded the physical facility, which is considered a potential source of bad publicity for UNIDO, given the current state of the facility (closed and not utilized). Even if UNIDO had no role in the set-up of this physical infrastructure (as mentioned, funded through another project by the National Bamboo Mission), from the point of view of the local stakeholders UNIDO is part of the support scheme. More rigorous project monitoring would have detected and possibly prevented such problems on the ground affecting UNIDO project operations and also, UNIDO's image.

In general, there is a trust deficit between project partners at all levels illustrated by allegations of misuse of funds, non-delivery of services, non-payment for services, etc. In brief, there are frustrations throughout and it was difficult for the evaluation team to assess who was right and who was wrong, apart from concluding that the project is not performing well and its "atmosphere" tense and requires urgent attention. The fact that work in the other clusters targeted by the project has not yet started is almost considered a blessing in disguise. It is not understood how the different UNIDO missions to the project sites could miss the performance problems or underestimate their seriousness.
The strategy adopted in both the design and implementation of this project has major flaws. CBTC is a technical institution with know-how and experience across the bamboo supply chain. But expertise in the field of cluster sensitization and cluster development and also trying to facilitate market opportunities for artisans making bamboo products is considered to go well beyond what CBTC knows best and should focus on. An attempt to work with an NGO active in Nalbari was justified but turned out to be problematic and even conflictual. A lot of effort went into studying the implementation modality – contracting CBTC as a service provider – but UNIDO seems to have ignored the question if CBTC could be reasonably expected to deliver such a wide range of activities. On the one hand, CBTC was probably ambitious or somewhat eager to 'do it all' (one staff even has a cluster development related job description and supposedly experience in this field). On the other hand, UNIDO did not go deep in its assessment of CBTC's capacity as provider of such a range of services. The administrative formula envisaged was to award a subcontract to CBCT. Yet the route followed in the end - as the subcontract option was not accepted by UNIDO HQ's Contracts Section - was to award individual contracts to CBCT staff. The basic error made at that point was to put all CBTC staff - with the exception of its Managing Director - on the project pay-roll. This was a strategic mistake, knowing that CBTC was able to operate without major donor support in the period 2004-2008. Even if the salary levels applied were according to local norms and probably even at the low end for truly motivating staff, this decision is controversial, as it implied moving away from rather than towards sustainability.

The involvement of a national expert, identified and selected in a participatory manner, to coordinate the project activities ended in an unfortunate manner. For reasons not clear to the evaluation team, the expert was not properly integrated in CBTC, ended up working from home and was ultimately encouraged by UNIDO to move to Delhi where he was allocated to (and paid from) other projects as local programme officer. Part of the problem appears to relate to the lack of common understanding and acceptance by CBTC of the role and duties of this expert as regards the project, as well as of corresponding lines of reporting.

Whereas the UNIDO Project Manager has highlighted the role played by CTBC as regards the design of this project and CTBC's responsibility in the planning and management of activities, it is to be noted that in the end UNIDO is the executing agency.

In general and unlike what was done as regards the recent technical mission (heavily delayed as foreseen at the very start of the project), for the sake of transparency in project management and also respect for co-ownership of activities, all consultancies are subject to ToRs to be shared by UNIDO well in advance (not just prior to the arrival of the experts), apart from their inclusion in work plans. This does not take away of course that the findings of the technical mission, just as the results of any other major project activity, are expected to be discussed at the level of the Steering Committee.

As regards networking with other projects, two issues need to be mentioned: first, there is no indication of efforts linking artisans and medium sized manufacturing enterprises which seem however keen to outsource some of their input related processes, such as splitting of bamboo. This was at least an opportunity mentioned by the enterprise engaged in manufacturing of inter alia bamboo shutters that was visited by the evaluation mission. Incidentally, that same company faces competition and operates well below capacity, but support to such businesses has not been targeted (at least so far) in the second phase project. Secondly, whereas this phase has adopted a cluster development approach, it appears that the HQ unit with experience in this field has not (yet) been involved in the project nor is a direct link established with its key partner in India, namely the Foundation for MSME clusters.

Finally, it is important to highlight that in terms of speed of administrative processes (and comparing the same with the situation in Phase 1 – up to 2004), there were said to be more delays now (according to CBTC). This observation is surprising as both in administrative and technical terms this project is backstopped from the Regional Office in Delhi and not from UNIDO HQ. However, according to the UNIDO project manager such delays tended to be linked to problems as regards documents submitted by the project, such as incomplete or late submissions, and claims exceeding authorizations. The fact that the position of the initially appointed national project manager was discontinued (as indicated above) certainly did not foster the smooth administering of the project.

National Programme for Technology Upgradation of Brass and Bell Metal Industry in Khagra

As it was not possible to include a visit to theTechnology Upgradation of Brass and Bell Metal Industry in Khagra – SF/IND/08/005 and US/IND/08/006, its assessment is based on review of documents shared by the project manager and discussion with the counterpart ministry (MSME). This project aimed at improving the competitive strength of brass & bell metal units in Khagra through the application of new technologies and introduction. As the project (with a total budget of USD 176,992) started in September 2008 and given the planned duration of three years, the project is in principle in its phasing out stage. As per a report covering work done in 2008, 2009 and 2010 (a progress report received during the mission from UNIDO RO prepared by the national project coordinator that is different from a non-dated report received from the project manager at UNIDO HQ), this technology upgrading project has undertaken a range or activities, including inter alia awareness building on improved technologies, product development, facilitation of business registration and access to credit, entrepreneurship development training and association building. The counterpart ministry (MSME) questioned the quality, transparency and delivery of UNIDO services as regards this project. The project strategy was said to be deficient, not providing a holistic view on the perspectives for this artisan-based cluster and what this would mean in terms of priority support actions. Focusing on micro-type interventions such as product designs was considered a too narrow approach. In essence, the current project approach was considered as of a survivalist rather than strategic and innovative nature and was said to be basically managed locally by one single national expert. Also, the client ministry lacked information on the project's budget status (not systematically included in the agenda of steering committee meetings), and mentioned delays in the provision of detailed work plans by UNIDO as well as in the release of funds.

It is to be noted that the counterparts in India label this project as a cluster development intervention, yet there is no indication that the concerned unit in UNIDO HQ was part of the design of the project or was involved in its implementation.

II.4. Effectiveness

This sub-chapter will discuss to what extent the programmes and projects have achieved their objectives or can be expected to do so.

II.4.1. Environment and Energy

POPs project

With regard to the NIP project, the full-fledged final evaluation will assess the extent the results of the project have been achieved and this will not be covered in this report. As already noted outputs of the project have already fed into the development of 'post-NIP' projects (see also next section). Of particular concern

is the fact that the PCB inventory covered only three States. The main outcome of the project is a National Implementation Plan, duly endorsed by the GoI and submitted to the Stockholm Convention, but this had not yet been achieved at the time of the evaluation mission.

The PCB and Medical Waste projects are at a too early stage for assessing the results of the project. Some remarks have been done in the previous sub-section on the way objectives and outputs are defined.

Ceramics project

Ceramics Project - US/IND/05/001 and TF/IND/07/001	
Immediate Objectives: I. Technological upgradation and standardisation of raw materials and testing facilities in the selected ceramic clusters through demonstration of energy efficient technologies and dissemination of results II. Strengthening of the institutional structures and policy framework to promote replication of energy efficient technologies, stringent quality standards and improvement in raw material demonstrated in the selected ceramic units/clusters	
Expected outputs	**Summary status**
(i) Diagnostic studies carried out and baseline data base compiled	Done but the baseline data was not correct as it did not integrate the switch to LNG.
(ii) Energy efficient technologies, standardisation of raw material and quality standards introduced and demonstrated in 10 ceramic units and disseminated to 100. Overall cost savings of 20-25% in energy consumption in selected units.	This is considered as achieved by final evaluation. However, the figures on overall cost savings are misleading given the lack of reliance of the baseline data.
(iii) 50 entrepreneurs/managers/planners trained	This is considered as achieved by final evaluation and could not be double-checked in the context of the country evaluation.
(iv) Capacity building of national institutions	*Ibid*. There is evidence that CGRI and CCCBM have benefited from capacity building activities.
(v) 100 units covered by training and information dissemination	*Ibid*.
(vi) Common testing facility created in Khurja	Common testing facility in place
(vii) Dedicated website to act as a clearing house	Not in place

The end project evaluation report reviewed in details the results of the project and concluded that the project was successful in achieving the set objectives despite the delays experienced in implementation. The main outputs of the project include notably an overall cost savings above 25 per cent, energy efficiency technologies and quality standards demonstrated in 15 selected units, training, visits to international fairs and study trips, creation of a common testing facility at Khurja and the setting up of a dedicated website. While the visits to international fairs have taken place and the common testing facility has been set up in Khurja, the website, a source of information which should have lived beyond the project duration, has not been established. The final evaluation identified as a key benefit a noticeable reduction in waste production, notably through recycling, and the results of the energy audits conducted at the larger units, which led to energy conservation measures.

However, the results vary greatly from one cluster to another. These variations are mainly explained by the differences between the clusters themselves, in terms of types of production, economic and financial resources, size of units, etc.

Besides, the way the final evaluation is presented makes it difficult to identify all outputs and outcomes of the project. Nevertheless, a few remarks can be made, based mainly on the final project evaluation[28] and visit to the Khurja cluster and interviews with various stakeholders (CGRI, NCCBM, Khurja industry association) by the team of this evaluation. In the Morbi cluster, which is a larger cluster, with financially sound and energy efficiency aware units, the project interventions led to concrete and sizeable changes, such as installations of variable frequency drives (VFD), variable speed drives (VSD) and automatic controllers and migration from two stages roller hearth kilns from tunnel kilns. Besides, in the Morbi cluster, different trade unions of ceramic manufacturers share information with the respective members although information dissemination regarding energy efficiency interventions by UNIDO and CGRI is not uniform.

In the Thangarh cluster, the units principally specialize in sanitary wares and are generally profitable, although smaller than in Morbi. The outputs achieved in the demonstration units are similar to those identified in the Morbi cluster (VFS, VSD, automatic controllers). However, some recommendations put forward by the project (e.g. shift to roller hearth type kilns) could not be implemented in the absence of necessary financial means to cover the investment costs. For the Khurja cluster, the lack of financial means coupled with limited knowledge and training on issues related to energy and environment was a serious obstacle to adoption of energy efficiency and quality standards within the cluster. Reluctance to share information between units also hampered progress. Consequently, the results achieved by the project in Khurja were somewhat limited. That is what we see in a comparative analysis. But, taken separately the change that UNIDO intervention has brought out in Khurja is quite remarkable. The industry, especially the lead firms, has become much more sensitive than before to technological change in general and energy efficiency in particular.

The ceramics clusters covered by this project have already been and are planned to benefit from other similar projects or programmes. It is worth noting that the ceramic tiles clusters of Morbi was dropped although short-listed for the USAID funded Eco-III project for lack of motivation among the actors[29]. This raises concerns as to the effectiveness of the project activities, especially in relation to awareness raising, given the identified lack of motivation. However, the Morbi ceramics cluster is again proposed under the UNIDO project Promoting EE/RE in Selected MSME Clusters as one of the clusters for which BEE had interventions planned.

In terms of strengthening of the institutional structures and policy framework, the project has principally focus on capacity building of national institutes, namely the Central Glass and Ceramic Research Institute (CGCRI) in Khurja through provisions of the common testing facility, the National Council for Cement and Construction Materials (NCCBM) through the procurement of equipment. These are the two outputs identified in the final evaluation as contributing to 'capacity building'. Actually, there is no evidence of a strengthening of the institutional

[28] This final evaluation has been financed by UNIDO but has not been conducted by ODG/EVA.
[29] Implementation of Energy Efficiency in SME Clusters – Energy Conservation and Commercialization (Eco-III) Project, February 2009, USAID

structures and policy framework at State or national level that would have been supported by the project.

Coal Bed Methane Project

Coal bed methane recovery and commercial utilization - GN/IND/98/G34, SF/IND/02/004 and DG/IND/04/952	
Immediate Objectives: i. Strengthen and increase capacity of various institutes and organisations ii. Prepare and execute CBM gas recovery demonstration projects in two coalfields iii. To utilize the gas harnessed iv. Action plan for replication and CBM clearinghouse	
Expected outputs	**Summary status**
(i) To strengthen and increase the capacity of the CMPDI by training personnel in the identification, design, and implementation of programs to recover and use coal bed methane in a cost-effective and environmentally acceptable manner	Most of the training occurred as 'on-the-job' training and was considered as efficient. However, training was not sufficient up-front to allow national organisations to prepare tender specifications, which had to be developed by international experts.
(ii) To design, drill and produce gas from three drilling techniques on two proposed demonstration sites (Moonidih and Sudamdih)	The project results have been downsized due to technical constraints and problems with equipment procurement (vertical wells reduced from 17 to 7, 1 instead of 10 GOB well drilled, 3 underground drilling sites). These downsized results have not been fully achieved, in particular less vertical wells have been drilled, no GOB well has been completed and drilling has not happened in Sudamdih due to faulty steering tool.
(iii) Use CBM gas recovered from above-mentioned wells for vehicle refuelling and power generation	While it was possible to recover the coal bed methane and make it available as a clean fuel for power generation, it was not done for transportation as the steering tool was not commissioned.
(iv) To establish a coalbed methane clearinghouse for dissemination of information, coordination of meetings and seminars and introduction of foreign potential business partners to appropriate managers and experts.	A clearinghouse has been established, but with additional support from the US Environmental Protection Agency.

The project has been subject to an independent mid-term review[30] in November 2004 and an independent final evaluation in July 2009[31]. Both evaluations were mandatory under GEF rules.

At the time of the last 2009 evaluation, several tasks were still to be completed. In particular, drilling had not started yet at Sudamidh, the objective of this task being to use the recovered gas for demonstrating running of a gas- based engine truck. The main reason was that the steering tool of the underground directional drilling was still not commissioned. In addition to delays in the procurement process, the steering tool, once delivered, was not functioning properly. As 90% of the equipment cost was paid before delivery and testing (with only 10% on commissioning), there was no leverage to force the supplier to replace or fix the steering tool. The Ministry of Coal (MoC) and other project partners felt that they had not been sufficiently informed of the negotiations between UNIDO and the

[30] External Evaluation Report, J.H.A. van den Akker, International consultant, A.K.Dube, national consultant, 17 November 2004

[31] Terminal Evaluation Report, July 2009, Dr MM Seam, National Consultant/Team Leader, Dr RP Verma, National Consultant

supplier. As a result of the failure to commission the steering tool, the underground directional drilling has not been completed and the use of methane as vehicle fuel not demonstrated. In other words, while it was possible to recover the coal bed methane and make it available as a clean fuel for power generation, it was not done for transportation as the steering tool was not commissioned.
The MoC is still considering options to finalise the work with its own means. One solution would be to outsource rather than to buy the equipment.

This being said, there is a general agreement amongst stakeholders that the main objective of the project, namely demonstrating the commercial viability of coal bed methane recovery and utilization, has been successfully achieved.

Cleaner Technology Promotion

Cleaner Technology Promotion in India - US/IND/02/001		
Immediate Objectives: I. Promote the transfer of cleaner technologies not yet commonly in use in India from Switzerland or other OECD countries II. Successfully implant cleaner technologies in a significant number of enterprises; III. Create the institutional capacity to provide in an integral manner cleaner technology services and transfer of technology including that related to international environmental conventions; IV. Analyze success factors for, and obstacles to, the transfer of cleaner technologies.		
Expected outputs		**Summary status**
(i)	Project capacities and structures established	While some results have been achieved (capacity building of the CPC in Gujarat, a limited number of new technologies and CDM methodologies approved), the number of enterprises implementing the cleaner technologies introduced is still limited. This being said, given the delays experienced by the project, it is too early to assess replication and some of the cleaner technology proposed due have a high potential for replication.
(ii)	Consulting services of the service providers used by Indian enterprises	
(iii)	Training services of the service providers used by consultants and staff of enterprises	
(iv)	Information about cleaner technology made available	
(v)	Report on the core obstacles and supporting forces to promote adoption of cleaner technologies prepared	

Cleaner Technology Promotion

The project had two phases and was revised in 2008, with activities and structure of the project being redefined, with a focus on the successful achievements of the project to-date. Although some success stories have been identified and are being disseminated, the objective of successfully implement cleaner and environmentally sound technologies in a **significant** number of existing and planned enterprises has not been achieved. Three success stories have been identified under the phase 1 (2002-2006) of the project (automotive foundry project at Shantala in Shimoga (Karnataka), automotive electroplating and textile Shbhashri Pigments at Ankleshwar (Gujarat)). During 2008-2009, four additional cleaner technology and CDM projects have been completed in Gujarat. However, the evaluation team was not in a position to visit the sites and this information is only based on project documentation (which mainly focus on success stories) and interviews at HQ. As the project concentrated on success stories, identifying some positive 'lessons learnt', there is no indication in the documents consulted of the core obstacles to the introduction of cleaner technologies.

As mentioned previously (section on Efficiency), there was a decision not to focus only on OECD country technologies. However, the project did encourage, although in limited cases, the transfer of cleaner technologies not yet commonly in use in India, sometimes even fostering adaptation to Indian conditions.

There is little evidence that the project managed to create the institutional capacity to provide in an integral manner cleaner technology services and transfer of technology including that related to international environmental conventions. However, this immediate objective has been partially achieved through the development of CDM methodologies.

Voluntary Greenhouse Gas Accounting

<table>
<tr><th colspan="2">Voluntary initiative to promote greenhouse gas accounting and low-carbon production in sectors of Indian industry (US/IND/09/008)</th></tr>
<tr><td colspan="2">Immediate Objectives:
I. Increased availability and affordability of standardized GHG accounting information, training and assessment services for enterprises from the pre-selected industrial sectors and
II. Standardized GHG accounting implemented individually by enterprises in industrial sectors.</td></tr>
<tr><th>Expected outputs</th><th>Summary status</th></tr>
<tr><td>(i) Industry and public private platforms strengthened in the pre-selected sectors and taking an active role in advocating GHG accounting at the firm level</td><td rowspan="3">The project started only in August 2010 with a few preparatory activities, including preparation of training seminars programme, the carrying out of an awareness training seminar and starting the selection process of participating industry (limited so-far to the cement industry). It is too early at this stage to assess the results and their chance for replication.</td></tr>
<tr><td>(ii) National consultants trained on GHG accounting and delivering services to enterprises in the pre-selected sectors: cement, chemical & fertilisers, engineering automotive and pulp and paper sectors</td></tr>
<tr><td>(iii) GHG accounting practices implemented by pilot enterprises, in particular in the cement, pulp and paper, fertilizers and automotive sectors</td></tr>
</table>

The project is still in a crucial preparatory phase, which aims at securing the voluntary participation of Indian cement and chemical industry in the project activities. The first progress report covers only the first three months of the project implementation, mentioning the development of the methodology, structure and agenda for the training on GHG accounting by international consultants, along with the carrying out of the first awareness event on GHG accounting in the cement industries by the Sohrabji Godrej Green Business Centre (Confederation of Indian Industries). Proposals have been sent to three cement industries to seek their interest in participating in the project.

II.4.2. Private Sector Development

Consolidated project for SME

Immediate Objectives: I. Enhance the dynamism and competitiveness of two Indian clusters through twinning arrangements between the selected Indian clusters and suitably identified foreign clusters operating in the same industrial sector II. Enhance the performance of Indian SMEs through the brokering of viable industrial investment and business partnership agreements with foreign companies, with a focus on the targeted promotion of specific project opportunities from selected priority sectors III. Facilitate collateral-free third-party guaranteed loans by credit institutions to small scale industries.	
Expected results	**Summary status**
(i) Enhanced cooperation between at most two Indian and foreign clusters with particular emphasis on training programmes and the establishment of institutional linkages	Linkages established and training in leather and footwear; training in automotive components sectors; capacity building of sector associations. Forthcoming individual project evaluation to assess results thereof on the ground
(ii) UNIDO Investment Promotion Unit-India established, operational and linked up with national and international promotional and business support networks; local SMEs prepared for matchmaking with foreign companies for investment, technology transfer and trade purposed; increased awareness on the part of foreign investors, technology suppliers and/or buyers/trade agents of business conditions and specific investment opportunities in selected priority sectors	Decision taken at the start not to seek creation of India-wide Investment Promotion Unit (justifiable given size of country and state level mandate); reorientation on introduction of investment promotion and upgrading related tools (enterprise audits/benchmarking; creation of SPX to foster business linkages)
(iii) A pilot Mutual Credit Guarantee Scheme established and fully operational	Efforts focused on design of scheme, including exposure to Italian experience in this field; project duration too short to actually establish and test the scheme

First, the Consolidated project for SME – TE/IND/04/001 is to be commended on the vast range of initiatives and activities undertaken in different fields and with the involvement of various UNIDO branches. Just to mention a few: capacity building of sector associations (footwear, leather and automotive components), and training of staff in business promotion such as for enterprise audits/benchmarking and project appraisal and creation of data banks (SPX) to foster business linkages and subcontracting arrangements This covered training and advisory services by industry experts, exposure trips cum training in Italy, facilitation of participation in domestic and international exhibitions. As regards the MCGS component, (pre-) feasibility work covered the design of a national scheme, including operational modalities and procedures with the involvement of an Italian partner institution with experience in this field as well as workshops, seminars and a study tour organized for the main members of the initiative's Advisory Committee to learn about and from the Italian experience.

Yet, this vast scope of the project is at the same time considered to have hampered its effectiveness. By having ambitious objectives and spreading interventions this wide, the programme has achieved relatively limited tangible results considering its budget size. The most concrete results are likely to be found at the level of enterprises and business associations involved in project

activities but this will have to be assessed properly and confirmed by the upcoming project evaluation.

It is true that efforts were made to forge linkages with Italian clusters but there is no indication yet of concrete business cooperation. While recognizing that such efforts take time and that there have been delays in project implementation, it illustrates the ambition of the project also at this stage: engaging in full scale promotion efforts with the ITPOs (as foreseen), whereas the remaining project duration is limited albeit extended until March 2012.

In addition, as there has been no piloting of the MCGS designed by the project, it is difficult to assess the effectiveness of this component. The advisory committee had to look into the strategic differences and possible duplication between the proposed scheme and the existing Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) - established by the GoI and the Small Industries Development Bank of India (SIDBI) - in terms of roles and operations. However, the proposed MCGS model is said to be different from and is in fact designed to complement the current national scheme, with a view to improving the credit guarantee alternatives for SMEs. SIDBI being the main institutional partner of this component has actually deputed an officer as national expert for this component. The UNIDO designed scheme of "financial clustering" of mutual credit guarantee associations is based on the hypothesis that a major portion of its funding will be from (probably the same) public resources.

Finally, financing is indeed an integral part of enterprise upgrading/modernization efforts (the case of the MCGS scheme designed and also awareness building in relation to venture capital type financing), and there is a keen interest of UNIDO management to further develop UNIDO's services in this field. In fact, the concerned organizational unit is in the process of developing various "finance linkage initiatives" to complement the investment, subcontracting and technology promotion mandate.

Project to support the implementation of Government of Orissa's Industrial Policy Resolution – 2001 (Investment Promotion component)

<table>
<tr><td colspan="2">Immediate Objective:
Enhance Government capacities for attracting foreign and large domestic investment</td></tr>
<tr><th>Expected results</th><th>Summary status</th></tr>
<tr><td>(i) Orissa Investment Promotion Agency (OIPA) established and operational by end of yr 1</td><td rowspan="3">Team Orissa put in place (organization conceptualized and set up); strategy developed; staff trained; website and promotional materials developed; road shows organized; trade fair participation etc.); institutional linkages initiated. Organization certified ISO 9001:2008; budget allocation secured. To date: Team Orissa operational; staff turnover is among challenges faced; envisaged MIS not yet in place.</td></tr>
<tr><td>(ii) OIPA implements an effective investment promotion strategy by end of yr 1</td></tr>
<tr><td>(iii) OIPA functions as a state-of-the-art investment promotion agency by the end of the project</td></tr>
</table>

To the extent the Project to support the implementation of Government of Orissa's Industrial Policy Resolution – 2001 (Investment Promotion component) - TF/IND/03/002, contributed to the conceptualization of a new investment promotion facility, the intervention can be said to have succeeded. An entity dedicated to investment promotion (Team Orissa) has been established, to work

with all government institutions involved in facilitating investment to the State of Orissa. It has been institutionalized within IPICOL and also has an outreach arm in New Delhi.

The support covered a vast range of capacity building activities: conceptualizing the organization including the development of a strategy and action plans; development of process flow charts, an organization manual and job descriptions; provision of furniture and office equipment; in-house training of staff in the actual start-up phase (on areas such as invest promotion techniques, preparation of sector assessments and opportunity profiles, IT use); development of a web site, brochures and a newsletter; organization of sector specific investment promotion road shows; organization of in-bound missions of delegations from different countries such as USA, South Korea, Japan, South Africa; facilitation of exposure through participation in international trade fairs (in Germany, Singapore and Malaysia); fostering of national and international linkages with relevant partners, including Investment Offices that are part of the UNIDO Investment and Technology Promotion Offices (ITPO) network (in particular the ones in Japan, Korea and United Kingdom); an investor perception survey (2008) to collect feedback on the investment clearance process (an example of "after care" service for investors to assess their experience in the process of establishing or expanding operations in Orissa); staff training and support to set up a "Green Cell" aimed at the promotion and appraisal of investment projects following the Cleaner Development Mechanism (CDM) route; support in the process of preparation for Team Orissa's ISO 9001:2008 Certification as regards its Investment Promotion and Single Window Clearance functions. Yet several stakeholders mentioned that the project results suffer from the fact that the project tried to do "too many things in too short time".

In terms of actual results, it is to be emphasized that the support was focused on investment related service capacity building and not at investment promotion per se. In that sense performance is only indirectly to be measured in terms of actual investment generated or its diversification beyond investment in mining related activities (Orissa being rich in mineral resources), in that it concerns the ability of the intermediary organization established to carry out relevant and good quality services for investors, particularly as regards investment promotion and single window functions.

The "Green Cell" established within Team Orissa is no more existing and was said to have relocated to the Forestry Department (focal point of the Government of Orissa's Climate Action Plan). The evaluation team was not in a position to assess to what extent and how environmental concerns have been considered in the appraisal of investment proposals (an important issue, given the sectors, in particular mining in which investment in Orissa is concentrated).

Post facto it is questionable why UNIDO took on the additional PMIS (Project Management Information System) responsibility, as UNIDO's value added as regards the local development of such specialized software system is not evident. It ended up being an issue of dissatisfaction, as the PMIS has not been completed during the lifetime of the project. Work done in this respect under PwC and UNIDO implementation was said to be 'lost' and IPICOL has decided to engage its own resources to re-start the development of such a system using

local expertise. Some qualified the problems with the PMIS as being “everybody’s fault” (thus not a problem to be only attributed to UNIDO).

Overall, investment flows to the State of Orissa have shown substantial increase. This is of course encouraging, but it is not known to what extent this can be attributed to the project. However, promotional efforts and the existence of a single window are likely to have contributed to this outcome.

MSME Cluster Development programme in Orissa – TF/IND/04/048

Immediate Objectives: I. Create a coordination framework to steer a cluster development programme in Orissa II. Provide direct assistance to promote at most three clusters within Orissa, one each in the areas of handloom production, artisanal handicraft production and small-scale industry III. Promote pro-poor local economic development in the State of Orissa through a cluster dev. strategy	
Expected results	**Summary status**
(i) Coordination framework created for the cluster development programme in Orissa	Different local stakeholders involved in project implementation (state government entities in charge of industry; handicrafts; local training institute; business associations), cluster development being pursued also post-project
(ii) Dynamism and collective efficiency sustainably improved in at most three clusters selected by UNIDO, the donor and the official counterpart with the objective of reducing poverty	Direct support provided to four selected clusters (stone carving; handloom; non-timber forest products; light engineering) covering, e.g., trust building/organization; market linkages; facilitation of access to credit; productivity related support through technology upgrading. Indirect support through guidance/capacity building of local stakeholders in covering other clusters/self-help groups, which is being actively pursued to date.
(iii) Supportive business environment and policy framework created for the effective implementation of cluster development initiatives in the State of Orissa, with exchange of experience with other cluster initiatives in India	Cluster development to date still among policy priorities; staff in charge of cluster development interventions and existence of cluster development related support schemes; focus on ‘hard support’ among challenges observed.

The MSME Cluster Development programme in Orissa – TF/IND/04/048 is one of many projects in the area of cluster development. As highlighted in the 2006 CSF evaluation, and also in the thematic evaluation of UNIDO Cluster and Networking Development Initiatives, the approach to combine two levels of interventions, namely direct support to selected clusters and indirect support in the form of policy advice and guidance on cluster development to State and District level authorities, made the intervention highly catalytic. Stakeholders interviewed mentioned that when the UNIDO project started, they were already engaged in support to Self Help Groups (SGH) or cooperative societies (of the latter, few were said to have survived due to internal management problems). UNIDO was said to have activated cluster development efforts and brought a new approach, focusing on identifying and bringing together homogeneous groups of artisans/enterprises around common goals and the development of joint activities.

In general, it is to be noted that cluster development is still high on the agenda of policy makers in Orissa as illustrated by the last Industrial Policy Resolution (2007) and the State's MSME Development Policy of 2009 (i.e., post project). The latter has resulted in official guidelines for state initiatives on cluster development that seem closely based on the UNIDO experience (diagnostic study; trust building etc.) and covers government funding for cost-sharing of cluster development activities, such as exposure visits, participation in exhibitions, design guidance (involving the National Design Centre), credit facilitation and common facilities. There is also the intention to set up "induced clusters" (based on the hypothesis that these can be created and linked to the establishment of industrial estates) in sectors such as coffee and aluminum.

The evaluation team was informed of a large number of handicraft related SHGs (labeled "craft clusters") exist across the State. In this respect reference was made to 180 locations spread over 27 Districts and involving about 9800 artisans and 646 SHGs. As regards manufacturing clusters it was indicated that some 57 have been identified in different sectors and that staff is in place at both the central and district levels to conduct diagnostic studies (gap analysis) and to monitor cluster support. The latter seems in particular focused on hard support, namely common physical facilities. Many (though not all) clusters were said to have cluster development agents or "executives". Whereas these include persons trained in the UNIDO project, not all agents currently working in/with clusters were said to have been trained to perform this role. The latter is a source of concern as all agents do not have the relevant experience, background and training to perform the cluster broker function.

Representatives of a pharmaceutical cluster met (also by the 2006 evaluation team) indicated that although pharmaceutical enterprises were already organized through an association prior to the project, there were no joint activities. It was advice from UNIDO that fostered the search for common solutions to shared problems. They highlighted in this respect the creation of what is called a Special Purpose Vehicle (SPV) in the form of a registered consortium of 23 companies that are in the process of jointly setting up a common testing laboratory (also benefitting from public resources/subsidies to be able to make this investment). They used the occasion of meeting with the evaluation team to express their wish for more UNIDO assistance. It was not clear what this additional support should consist of, but it could be an indication of an observation made by an enterprise representing another cluster: i.e., that public authorities/support entities continue support to cluster development, but that this support is not very intensive, highlighting the need for facilitation in order for efforts of enterprises to result in truly successful common activities. In brief, cluster development activities continue (meaning that the project objectives were in principle achieved), yet the findings indicate that the current support could go deeper.

Support to small and medium sized manufacturers in the automotive component industry in India – UNIDO Business Partnership programme (Phase III) – SF/IND/04/002

Immediate Objectives: I. Enhance the performance of domestic SMEs in the automotive component industry to ensure their inclusion in the global supply chains II. Expand the scope and outreach of phase II of the programme to upgrade the competitiveness of an increasing number of target companies in India III. Ensure sustainability of the programme through creating a conducive institutional set-up and building a pool of well-trained national engineers	
Expected results	**Summary status**
(i) Further enhancement of the institutional framework and integration and training of 10 national engineers	Total of 133 companies in western, northern and southern regions of India covered by training and plant level coaching (Phases I, II and III, of which 76 in Phase III); data collected by project show encouraging results; challenges as regards institutional anchorage (weak in Phase III) and turnover of counsellors
(ii) Provision of service under the partnership programme: set of 100 companies	

The project Support to small and medium sized manufacturers in the automotive component industry in India – UNIDO Business Partnership programme (Phase II) - SF/IND/04/002 was found to have achieved many interesting results. Whereas this evaluation raised a number of questions on the manner in which project operations were managed, in terms of results, the consecutive project phases are encouraging. As regards coverage, a total of 133 companies "passed through" the programme, of which 20 in phase 1, 37 in phase 2 and 76 in phase 3. Geographical outreach was wide, as interventions were spread over 5 regions. The majority of companies assisted were located in the western, northern and southern regions (corresponding to 'the Detroits of India'). This outreach was impressive, yet also raised a question to what extent is it justifiable to undertake and monitor support for 11 companies or less in two of the regions (the case of the eastern and central region). The programme was supposed to have national outreach, but one can question coverage of regions where the number of enterprises in this sector was limited. In terms of manufacturing processes, the fields covered were many (such as injection moulding, pressure die casting, assembly). Whereas the number of enterprises is not small, this total of 133 over a period of more than 10 years covered by the three phases would imply that in terms of upscaling, the project strategy has not been very ambitious. As regards phase 3, the interventions stretched out over a (too) long period: from 2004 up to 2010.

Companies were informed of the programme through a circular, indicated their interest and willingness to pay, and were selected based on a set of conditions.[32] There are a few assumptions underlying the approach followed that could be questioned: (i) that "the right companies" are included as a result of this selection process; (ii) that it is justified to assist one company and not "its neighbour", and (iii) that plant level upgrading is a necessary and sufficient condition for enhancing competitiveness. It is understood that, as per the programme logic, interventions focused on plant level support.

[32] See Final project report, December 2010 (pages 11-12), for the selection criteria used in the 3 phases

Evidently, it is to be kept in mind that enterprise level upgrading efforts are a necessary but insufficient condition for overall improvements in the competitiveness of enterprises, as also the overall business environment in which enterprises operate influences business performance. This being said, it is clear that this covers interventions other than those of the project.

The impact assessment conducted at the end of phase 2 showed that support made a difference at the enterprise level, illustrated by significant growth rates in company turnover beyond industry averages for the period, better organized work places, improvements in machine breakdown hours, reductions in absenteeism, drop in customer complaints, cost savings etc. Whereas such improvements are not purely contributed to the training cum coaching, the programme was found to have made a significant difference for the majority of the companies in relation to most of the performance targets established (for details reference is made to the impact assessment conducted by Pricewaterhouse and Coopers in 2006). As per the data collected for the final report (2010), measurement on performance on productivity, quality, cost, delivery, safety and morale parameters gave, as in the 2006 assessment, encouraging results. To cite just a few out of many feed-backs provided to the evaluation team: delivery schedule adherence improved; customer complaints reduced; majority of companies have found new customers, has added new products and show an increasing trend in sales; in-house rejection rates have gone down; inventory turnover ratios have improved etc. Moreover, several of the participating companies received awards, such as for export, for quality and productivity (ACMA), as well as buyers' recognition (Tata Motors, Honda suppliers …).

Testimonials of companies at the project's closing ceremony in November 2009, as well as of those companies visited by the evaluation mission were illustrations of very satisfactory feedback on the project in terms of results. This was also confirmed by the counterpart (Ministry of Heavy Industries) which is also the major donor of past and planned UNIDO support in this field. Still, the latter raised some concerns which need to be considered for the next generation of planned projects in this sector. Namely, the covering of some 133 enterprises in a period of more than 10 years was considered insufficient, given the targets of India's Automotive Mission Plan 2006-2016 and taking into account that the auto component sector is said to cover over 500 organized and 5000 unorganized entities. Also, the counterpart ministry highlighted the need for upgrading efforts to go deeper (beyond "picking the low hanging fruits") and to include (unlike was the case so far) a wider range of important aspects, such as cleaner production, energy efficiency, additional cost-cutting and market development issues. In other words, there was a call for modules well beyond the currently used "road map for performance excellence" and this is indeed taken into account in the forthcoming UNIDO-ACMA project.

There is indeed reference in the pipeline projects to expanding the content through additional modules. Still, a strategic issue remains to be addressed, i.e. which topics are to be covered by the project experts directly and which ones would be subcontracted to related programmes of other specialized service providers (public/private).

In brief, the project achieved its expected outcomes in quantitative terms. As regards the forthcoming projects, the findings of this evaluation may be reviewed and taken into consideration.

Promoting livelihoods in North Eastern India – the Cane and Bamboo Networking Project

<table>
<tr><td colspan="2">Immediate Objective:
Contribute to securing the sustainable livelihood and employment generation of the poor rural communities in the cane and bamboo sector of North Eastern India</td></tr>
<tr><th>Expected results</th><th>Summary status</th></tr>
<tr><td>i. Bamboo farmers and producers organized in cane and bamboo associations extending supply chains from plantation management and pre-processing to industrial processing and marketing</td><td rowspan="4">Delays in implementation and to date one cluster received training (project) and equipment (common facility) provided through parallel national programme. Problems encountered in implementation (trust deficit at all levels; situation in first cluster supported dissatisfactory and requiring urgent attention).
CBTC involved in many interesting and relevant activities (regional, national and international including south-south) and interesting publications, but concern that CBTC should focus on core competencies rather than becoming all-round service provider. The idea of becoming ‘all round’ may be attractive for the sake of revenue generation and search for sustainability but, in the end, implies a loss of focus and does not necessarily generate the best medium and longer term results for this in principle specialized institution.</td></tr>
<tr><td>ii. Domestic and global market demand (product development and design, standards, certifications) guide the development of cane and bamboo industry sector</td></tr>
<tr><td>iii. Appropriate technology transfer and skill development ranging from rural communities to urban industries</td></tr>
<tr><td>iv. CBTC capacity strengthened as an international hub and service provider for the global cane and bamboo sector</td></tr>
</table>

Compared to phase 1, assessed as “model” in 2006, phase 2 of the project Promoting livelihoods in North Eastern India – the Cane and Bamboo Networking Project (SF/IND/08/004, US/IND/08/002 and XP/IND/09/001) has encountered a number of challenges. Implementation is not on track and the project implementation strategy needs to be seriously reviewed and reoriented. In spite of the training conducted and equipment installed in the village (the latter through the parallel non-UNIDO project funded by the National Bamboo Mission), the artisans trained in Nabari still continue to work in their homes and making the same products as they did before the intervention started, such as lamps and baskets and selling them on the local market. The work being done by a few artisans on a bamboo sofa set when the evaluation mission visited the location was found to be rather “fake”, with no tools around (as if a scene set up to impress the evaluators).

The evaluation team had an opportunity to briefly visit the training centre set up under phase 1. It is to be relocated to new premises reserved for a bamboo Technology Park of which construction has started. The evaluators left the training centre with the impression that, considering the investment made under the phase 1 project, the facilities were not fully utilized. Even if it is understood that training does not take place on a continuous basis, one cannot help wondering if the equipment should be purely reserved for training. Moreover, some of the equipment will not be affordable to many, once trained. Whereas this is no longer UNIDO’s responsibility (as ownership is now with CBTC), the

evaluation team draws attention to the same, to the extent that it was UNIDO that helped set up this training centre. In this respect, a lesson may be learned for future support of this kind by UNIDO in India or elsewhere.

On the positive side, CBTC is to be commended for the very good quality of its promotional material and publications. It is not clear to what extent the UNIDO project can take credit for the quality of documentation, but UNIDO certainly has provided guidance, such as through project experts (particularly under the first project - Phase 1). In addition, there has been both funding and advice as regards these publications from many other organizations (as mentioned in the different publications). In any event, UNIDO certainly benefits from the visibility of CBTC through inter alia its good documentation and active participation in regional, national and international "bamboo" related events. Where appropriate, UNDP is also mentioned (i.e. donor of the Phase 1 project).

Finally, a film was produced at the end of the project's first phase and it was mentioned that there is an idea to make another one. The justification for the latter is not understood and it is certainly not timely, given the project's implementation problems as described in particular under the efficiency section. Even if, indeed, the two projects are different and films can be useful tools to document the status of projects, the second phase project is not considered 'ready' for such an investment.

Given the current status of the project (including delays incurred) it is too early to make an assessment as regards the achievement of the objectives, apart from alerting to the risk that, if not put 'back on the rails", this project may not achieve its intended objectives.

National Programme for Technology Upgradation of Brass and Bell Metal Industry in Khagra

<table>
<tr><td colspan="2">Immediate Objectives:
I. Bring the brass and bell metal artisan sector of Khagra (State of West Bengal) through technology upgrading, capacity building and other promotional and market development activities to the position of a major producer in the country, enabling to tap the emerging potential in the domestic and global markets
II. Strengthen/set up the institutional mechanism and capacity for common facilities, e.g. training technology demonstration, product development, marketing, testing… for sustainability of the upgradation process
III. Develop a self-sustainable model for replication of technology upgrading programmes in other regions of India in the future</td></tr>
<tr><th>Expected results</th><th>Summary status</th></tr>
<tr><td>(i) Awareness of potential economic benefits/opportunities; artisans ready and motivated for upgrading their capacity; technological capacity and skills assessed, needs identified and technology upgrading programme designed and put into operation; increased demand for now products and diversified product range brought to the market; improved manufacturing processes and quality of products; increased production volume</td><td rowspan="3">Project site not visited by evaluation team but counterparts mentioned delays in implementation, concern about project strategy and lack of information on budget status.
Too early to assess results and their chances for replication.</td></tr>
<tr><td>(ii) Increase in supply of services for product development/ diversification, training, testing etc.; understanding of the practices prevailing in artisan enterprises in other regions of the country</td></tr>
<tr><td>(iii) A vision, action plan and model for replication and further technology upgrading formulated and a cooperation mechanism (consortium, cooperative, association) developed for sustainability</td></tr>
</table>

The evaluation team was not in a position to review the results of the National Programme for Technology Upgradation of Brass and Bell Metal Industry in Khagra – SF/IND/08/005 and US/IND/08/006, beyond testimonies of the counterpart ministry and review of documents provided by the project manager. Progress reports refer to artisans registeredand trained and access to credit provided etc. It was not possible to derive from the two parallel reports on progress to what extent the training and advice provided already translated into new markets opportunities, improved or new products and thus increases in income and employment in the targeted units in Khagr.

II.5. Sustainability

This sub-chapter will discuss the likelihood that the benefits of projects continue beyond their completion.

II.5.1 Environment and Energy

POPs related projects

As mentioned above, the NIP project served as a first stage for various further activities aimed at fulfilling India's obligations under the Stockholm Convention.

In addition to laying the foundations for two large up-coming UNIDO projects on PCBs and medical waste, the NIP project is the basis for several future project concepts, which have been endorsed by the GoI in the framework of the implementation of the NIP and GEF5 as follows:

a. Alternative to dichlorodiphenyltrichloroethane, known as DDT (with UNEP)
b. Implementation of BAT/BEP strategies for elimination/reduction of unintentional emissions of POPs for priority industry sectors identified in the NIP
c. Management of plastic waste to avoid incineration/dumping linked dioxins and furans emissions
d. Inventory of newly listed POPs
e. Capacity building, demonstration of production and promotion of bio-botanical neem derived bio-pesticides as an alternative to POPs pesticides (UNIDO focusing on production aspects and FAO focusing on other aspects including capacity building)

The question of the PCB project sustainability has been raised, as the project is meant to destroy only a small proportion of the total quantity of PCBs and PCBs containing equipment. This is a key question, which should be addressed throughout the project. Without clear legislation and proper enforcement, there will be no incentive for companies to destroy the remaining PCBs. Sustainability will also depend on the business model to be developed, about which we cannot comment in advance. Another factor affecting sustainability is popular support for the project in question. As mentioned above, responsibilities should be clearly defined, including with regard to future activities for removal and disposal of

PCBs. In addition, the project focuses on electrical equipment. Other materials (non-electrical, waste ships) are only considered for the inventory, but the management of PCBs in relation to these materials is not covered by the present project and will depend preliminary on the quality of the inventory. As the project is just starting, it is not possible at this stage to further assess these aspects.

Ceramics Project

The sustainability of the project results depends very much on the situation on the ground. In the poorest clusters, in particular in Khurja, the results are limited and replication is very partial.

With regard to Thangarh cluster, there is no evidence of replication of energy efficiency measures by additional units other than the three demonstration units. The lack of financial means is identified as the main reason why the adoption of energy efficiency measures by other units has been very limited. In Khurja, no major up-scaling were identified outside the demonstration units, but only some modifications in kiln furniture, stacks and burner firing rates. As mentioned above, this can be explained by limited financial means, an unwillingness to share information across units and a lack of knowledge in the smaller units.

In the Morbi cluster, the results were more satisfactory with some replication outside demonstration units, through adoption of VFD, VSD and automatic controllers and use of new roller hearth kilns for new factories. These positive outcomes were facilitated by the readiness of the demonstration units and the different trade unions of ceramic manufacturers to share knowledge and information. However, the final evaluation report also noted that information dissemination regarding energy efficiency interventions by UNIDO and CGRI was 'not uniform'.

The project has produced a video, which presents the project and the benefits from energy efficiency, a manual on 'Quality Standards, Testing Procedures and Environmental, Health and Safety Practices for Ceramic Industry in India' (see part on Efficiency), but no clear dissemination strategy has been mentioned, nor in the final evaluation, nor during the interviews.

On the positive side, it was underlined that, in some instances, replication took place with improvement of the technology implemented during the project. Besides, CGRI has been successfully involved in the project and can be of great support to sustain the results of the project. Similarly, the NCCBM has benefited from capacity building interventions (provision of equipment) and is therefore able to offer better services to the industry and they will continue these services. However, the question of the financial capacity of most units remains a major barrier to further improvement in terms of energy efficiency and product quality. Even if local providers are in a position to propose the necessary consultancy services, further support would be needed from the GoI or international donors to ensure the sustainability of the project results.

With this in mind, the Ceramics Project is very much seen as laying foundation for the up-coming GEF/UNIDO project on Promoting EE/RE in selected MSME clusters in India. This later project can certainly support the up-scaling of the

results of the Ceramics Project, provided that smaller units are specifically targeted. In particular, information on advanced technology and project interventions should be carefully assessed and adapted to facilitate their up-take and implementation in all units.

Coal Bed Methane project

The GoI funded or attracted additional funding to complete and build on the project results, therefore supporting future up-scaling of the project activities. For example, the US Environment Protection Agency is financing the setting up of the Clearing House which could not be done under the project. Coal India Ltd (CIL) has also committed to fund further activities undertaken mainly by Bharat Coking Coal Ltd with technical support from the Central Mine Planning and Design Institute Ltd (CMPDI).

A tendering process has already been organized for unexploited mines and should start soon for exploited mine blocks, which could result in replication of the project outputs. A five-year development plan, building on the findings of the project, has been prepared and approved by CIL and a Management Committee is in place headed by the MoC. However, the GoI has not a clear vision of the policy for commercializing the gas produced from exploited mines.

One factor ensuring sustainability is the introduction of CBM technology into the curriculum of technical education in the country. It will help produce a generation of trained professionals who can lead future development programmes in this highly potential area.

Cleaner Technology Promotion

The likelihood of continuation of the project benefits beyond the life of this project greatly depends on the availability of financing for the introduction of cleaner technology. This implies the capacity to develop a robust investment project and to attract financing. Efforts have been made to introduce incentives within the national regulatory framework to facilitate financing by local banks. However, this is more the role of the World Bank through its strong links with the Ministry of Finances. UNIDO investigated the possibility to involve the International Finance Corporation (IFC) in designing a financial mechanism to facilitate the introduction of cleaner technology. However, this has not produced concrete results so far.

Some of the cleaner technologies implemented under the project had been replicated. A new Plasma Thermal Destruction Recovery plant has been implemented in Ankleshwar industrial estate common incineration facility. The plant has been adapted to Indian conditions; an Indian plasma unit manufacturing facility has been set up at Ankleshwar and has exported four pilot plants to Taiwan.

Besides, the project contributed to build up capacity of the Gujarat Cleaner Production Centre. Staff from the Centre has been used as resource people for other projects e.g. in Mauritius. Interestingly, the Gujarat Cleaner Production Centre is a founding member of the global network for the Resource Efficient and

Cleaner Production, recently set up under the Resource Efficient and Cleaner Production Programme of the UNIDO and UNEP.

Promoting EE/RE in selected MSME

As mentioned above, this project has the potential to up-scale some of the positive results achieved by the ceramics project. Unfortunately, the project document for the GEF project does not indicate that specific attention will be paid to smaller units. Although this remark relates specifically to the situation in the Khurja cluster, it is likely that there is also a risk in other clusters covered by the project to find a diversity of size and means amongst the different units. Similarly, the issue of knowledge and information sharing is only considered between clusters rather than within a single cluster between units, a problem which has also limited the outcomes of the ceramics project in Khurja.

II.5.2. Private Sector Development

Consolidated project for SME

The likelihood of continuation of project benefits beyond the life of this project will vary, depending on the nature of the intervention of the project. It can be argued that the sustainability of the achievements at the level of the business associations and companies (use of training, tools, and advice, and continuation of business networking) lies mainly in their respective hands. For the MCGS it is too early to assess the likely establishment of a pilot scheme and its sustainability.

Project to support the implementation of Government of Orissa's Industrial Policy Resolution – 2001 (Investment Promotion component)

To the extent that the investment promotion work continues to date, the project benefits are sustainable. Team Orissa is still in place and is an ISO certified entity, endowed with a budget to undertake and expand its services for potential and actual investors. A weak point of this capacity building project relates to the fact that many of the staff trained during the project are no more present in Team Orissa (only about 7 out of initial staff more than 20 stills works in Team Orissa). This high staff turnover has affected its technical sustainability and ability to continue to provide a range of investment promotion related services. Moreover, not all staff currently in place was said to have the background and experience in line with the mandate of the organization and their respective roles and duties in this context.
Therefore, there seems scope for solidifying the services of this investment promotion programme, but this is now mainly in the hands of IPICOL and Team Orissa management. Staff is torn between different priorities and bringing in more staff with appropriate profiles for the tasks at hand would seem justifiable. The fact that the Government of Orissa has started to allocate an annual budget to investment promotion activities is an indication of the importance attached to such efforts by the State authorities and of financial sustainability, even though some staff interviewed considered the budget received too small and not

matching with requirements. The promotional budget is said to be not “automatic” or received late. In brief, there is organizational and to some extent financial sustainability but technical sustainability is somewhat weak.

The “Green Cell” established during the time of project operations has moved away institutionally from Team Orissa. The evaluation team was not in a position to assess to what extent this had affected the priority given to environmental issues (pollution control and prevention) in the investment promotion appraisal process or whether the “green”-oriented promotion services continued.

MSME Cluster Development programme in Orissa

The interview findings showed that the “cluster ball keeps rolling” and that funding is made available to this end in Orissa, both as regards handicrafts and industry related clusters (overseen by different Departments). There is reference to CDAs both at the level of State and District level support institutions and within clusters (the latter being self-financed or subsidized through cluster development support). This being said, indications are that the support does not always go beyond cluster identification and diagnostic study, i.e. remains rather on the surface, and many cluster representatives met voiced the need for more facilitation support and active presence to foster trust building. There also seems to be a tendency towards a somewhat ‘top down’ support attitude or thinking that different clusters can be imposed to work together. Moreover, in line with the nature of the national and State level public support schemes, emphasis seems more put on organizing “hard” than on “soft” support; this also applies to putting in place the organization required (“soft support”) to manage common facilities (“hard support”). Overall, the sustainability of the project is encouraging and it is not a surprise that, over time, some aspects of the cluster approach introduced through this project that was completed end 2007, got somewhat diluted.

Support to small and medium sized manufacturers in the automotive component industry in India – UNIDO Business Partnership Programme (Phase III)

India is planning to finance a series of follow-up projects to be implemented by UNIDO. However, as mentioned by the counterpart Ministry, the UNIDO support needs to be sustainable in that they cannot continue funding support “project after project”. In this respect, the Ministry representatives highlighted the need for “better indigenization” (another side of the earlier observation that institutional anchorage has weakened in the third phase of the project). In their view, there should be a central problem solving or “help desk” in India that supports the upgrading efforts at the cluster level (i.e. a group of automotive components companies in a given location) and facilitates not only horizontal knowledge sharing (among companies in the same tier), but also vertical knowledge sharing (between OEMs and tier 1, 2 etc. companies) including exchanges on trends in the industry.

The challenge will be to maintain and expand the pool of counselors (middle management staff with robust experience in the sector) and the approach adopted in the first generation of UNIDO support (phases 1-3) is recommended

to be revisited, as few counselors involved in the prior projects are still available. It appears that already the Ministry of Heavy Industries is discussing with Original Equipment Manufacturers (OEMs) such as Tata and Maruti to what extent their middle managers could be mobilized to take part in future supplier upgrading efforts. One concern as regards the recruitment of individual counselors as project consultants is that they are not anchored to an institution and if there is no clarity on the continuity of functions or services, they are likely to leave for more stable work situations. The evaluation team has been informed that this issue has been brought to the attention of the ACMA.

The evaluation mission is not in the position to assess to what extent changes in performance at the level of participating enterprises have been/are likely to be sustainable. Tracking of post-project performance as regards enterprises included in phases 1 and 2 would make it possible to throw light on this issue, but this tracking was not part of phase 3 activities (the performance data included in the final report of December 2010 only include phase 3 companies). It is however considered very likely that enterprises that have changed their organization/modus operandi according to the principles imparted through the training and coaching will continue to apply these and pursue the upgrading process, driven by both results and buyers' requirements. This was also confirmed in the survey of counselors: "we have laid the foundation; we are confident of the sustenance". One highlighted the importance of the company owners themselves: "whenever promoters of the companies themselves are involved, those companies are still doing very well and still improving". It is to be noted that the forthcoming UNIDO-ACMA project foresees a comprehensive feedback mechanism that would also allow for support to companies once the counseling cycle has been completed.

Also the degree in which cost-sharing by enterprises can contribute to sustaining support interventions (which ultimately also determines the market for service providers in this field) is part of the sustainability issue. In line with good practice principles in business development services, companies pay for the services received. As there is no precise information on the actual contribution of enterprises to the costs (beyond statements of planned figures of 25% as regards the past projects versus 38% in future projects), it is not possible to assess how the past projects actually performed in this regard. However, the forthcoming UNIDO-ACMA project plans for a specific industry contribution amounting to more than 35% of the total project budget (to be closely monitored by UNIDO and ACMA).

Promoting livelihoods in North Eastern India – the Cane and Bamboo Networking Project

It is premature to assess the sustainability of phase 2 interventions and especially as some important changes are expected. However, if the implementation continues as it is, sustainability is very questionable. It will be difficult to convert the common facility established in the first cluster into a functional operation, unless there is serious rethinking what the artisans can and will use in terms of the equipment and how the facility will be managed (including who is its owner, an issue normally clarified before starting such a venture and how costs are to be covered). Even if indeed the physical set-up is not UNIDO's responsibility, the

facility plays a central role in UNIDO's project activities at the cluster level. Therefore, discussion and decision making by the competent parties engaged in the two projects (including UNIDO) to put the operations of the different yet complementary projects on track, seem important and urgent.

It is to be noted that CBTC is involved in many activities, apart from this project; as such, continuation of project activities certainly will not depend on the success (or not) of the current project. Judging from inter alia its last annual report, the organization plays a very active role in bamboo related activities at the regional and national levels, as well as abroad. CBTC plays a direct role in implementing support to bamboo sector development along the value chain, supported by the Bamboo Mission. In other words, CBTC has carved out its role and position as leading institute in the bamboo field, yet it risks diluting its focus on what it is best equipped to (i.e. *technical* advice and training) and also needs the organizational set-up including motivated staff and procedures for the organization to develop and grow as service provider in this sector. The evaluation team is not in a position to assess the findings and recommendations of the study initiated in November 2010 and their likely utilization towards strengthening the organizational capacity of CBTC.

National Programme for Technology Upgradation of Brass and Bell Metal Industry in Khagra

The sustainability of interventions will to a great extent lie in the hands of the artisans, in terms of converting the individual and group support received in enhanced performance of their businesses. Project activities are also aimed at strengthening service capacity and progress reports make reference to cooperation with local/regional support institutions (including but not limited to support providers in the field of metal handicrafts). However, the evaluation mission is not in a position to assess the likelihood for support to artisans to continue to beyond the project.

II.6. Impact

This sub-chapter discusses whether or not projects achieved or contributed to higher level objectives.

II.6.1. Environment and Energy

It is difficult at this stage to assess the impact of the various E&E projects, mainly because the large majority of the projects reviewed are still in the pipeline or just starting (Post-NIP projects, Promoting EE/RE in Selected MSME Clusters). As a general remark, impact indicators have not always been developed in the project documents considered.

Ceramics project

The final evaluation of the Ceramics project provides some quantitative assessments of impacts in terms of energy savings (overall 26 per cent savings). However, these figures do not provide a reliable picture, as they include the shift

of units in Morbi and Thangarh from various fuels e.g. coal to a less expensive and cleaner fuel, Liquefied Natural Gas (LNG). However, there was no interim energy audit carried out when the shift to LNG occurred. As a consequence, the overall findings reflect not only the energy efficiency measures introduced by the project, but also the move to LNG, which has led to reduction in CO_2 emissions.

This said, energy savings do contribute to ensuring environmental sustainability.

Coal Bed Methane project

The project supported national policy making for the development of coal bed methane exploitation as shown by the subsequent initiatives of the GoI, notably the recent tendering of mine blocks for CBM recovery. The project also resulted in reduction in GHG emissions through avoiding methane emissions and providing cleaner energy than if other fuels would have been used. The terminal evaluation estimates that such reduction could reach 340,151 tonnes CO_2.

The project had also positive safety and social impacts through provision of uninterrupted power supply to local workers. Another important impact of the project is to be seen in the sphere of technical education. Many leading centres of technical education in the country have integrated the lessons of the project into their curricula. Some of them have also started specialized courses in the area of CBM. There is no evidence available of job creation and poverty alleviation from the project, although if further developed, these activities can generate business and job opportunities at the local level.

There is no indication that gender issues have been mainstreamed in the EE projects reviewed.

In general, projects under the E&E component of UNIDO portfolio contribute by their very nature to the MDG 7 'Ensure Environmental Sustainability', and more precisely to Target 9 'Integrate the principles of sustainable development in country policies and programmes and reverse the loss of environmental resources'. This is mainly through reduction of CO_2 emissions associated to improvement in energy efficiency and reduction of ozone depleting substances through projects related to the Montreal Protocol.

II.6.2. Private Sector Development

Consolidated project for SME

The Chairman of the project's Steering Committee at its meeting of 8 November 2010 recommended that the proper closure of the project is to include an impact assessment (mentioned together with and interpreted as being an integral part of the foreseen independent evaluation). In addition, proper documentation of all project activities was emphasized by him as being important in this final phase and as an important source of information for the GoI to structure future interventions building on the innovative initiatives and using the experiences gained at the SME level.

Project to support the implementation of Government of Orissa's Industrial Policy Resolution – 2001 (Investment Promotion component)

The survey of investors carried out by UNIDO in 2008 revealed that the single window mechanism has inspired confidence, even though improvements in the overall investment climate are felt to be necessary to further increase and diversify investments.

Investment promotion is an integral part of the State of Orissa's policy priorities – one of the poorest States in India – to stimulate economic growth, create employment opportunities and reduce poverty incidence. Orissa is stated to be at present the No.1 investment destination in India, particularly given its abundance of mineral and other resources. The challenge as regards the impact of investment on the State's overall socio-economic development will not only depend on the size of investment attracted to the State, but also on the degree to which local SMEs and the population at large benefit from such investments. Hence the importance attached in successor projects (such as the one under preparation by DFID) to local value addition through ancillarization or supplier development type interventions, as well as sector diversification in line with State opportunities and priorities.

MSME Cluster Development programme in Orissa

Clustering is often seen as a necessary avenue for small enterprises to raise productivity and be able to face competition with large scale enterprises in the same sector. The evaluation is not in position to assess what difference the organization of artisans and enterprises in self-help or cluster groups and related capacity building support has and continues to make to the participating artisans/enterprises. There is no established monitoring system to assess how those that took part in past and current cluster development efforts have fared compared to their baseline situation, prior to the support.

As the UNIDO project ended, UNIDO missed opportunities to capitalize on and expand the results of its efforts such as illustrated in the cashew supply chain. Whereas UNIDO was said to have introduced process improvements (including also cleaner processing) by initiating businesses in the first cashew cluster to steam boiling as opposed to drum roasting, another organization managed to bring such support to a much higher impact level (through a national DFID funded project covering the promotion of BDS provision for clusters). As per information obtained from the Delhi based Foundation for MSME clusters (an independent entity that has emerged from prior UNIDO support in the field of cluster development), there is a cashew cluster in Orissa that consists of 120 units, that increased their combined turnover by some USD 10 million in the period April 2009 to date, profits by USD 1 million, and resulted in 11 additional units. About one third of these enterprises changed their technology as a result of exposure visits and some 25 BDS providers are linked with the cluster. Whereas this new initiative is alleged to have undermined the group of companies supported in an indirect manner under the UNIDO project (by working with a subset of that first group and not with all enterprises), it is difficult to assess if this is a real problem. It is to be recognized that the "new cluster" has show tangible outcomes so far whereas the "old cluster" has difficulties to truly kick off.

Case studies provide evidence of encouraging results (as mentioned under 'effectiveness'), such as revival of Self-Help Groups, improved access to credit, product diversification and market opportunities (Cluster Development and Poverty Alleviation, Foundation for MSME Clusters, 2008). In terms of impact of such support, there is anecdotal evidence, such as in the Puri Stone Carving Cluster where additional sales of Rs. 1,81 cores - facilitated by cluster development support - were reported, as well as increase in monthly income of some 200 independent artisans by Rs. 400 – 500. Still, the same study mentions that "in spite of this growth, the really poor residents of the cluster have not been able to latch on to this activity". Reasons for limited benefits for the poorest were said to be in particular too small scale of business, gaps in skills required and lack of resources to strengthen their asset base. In general, it is difficult to assess in real terms to what extent the project has contributed to the reduction of poverty in Orissa, one of the poorest states in India, as there are no comprehensive monitoring data as to how project activities have increased income and employment at the level of the participating enterprises and how they perform to date.

Support to small and medium sized manufacturers in the automotive component industry in India – UNIDO Business Partnership programme (Phase III)

As illustrated in the 2006 impact assessment (phase 2) and also in the draft final report of phase 3, support made a difference by addressing plant level challenges such as low labour productivity, high product rejection rates, poor product quality, frequent machine breakdowns, delayed product developments and uncontrolled and high costs of production. Measurements as regards the performance of the different parameters (productivity, quality, cost, delivery, safety and morale of personnel) resulted in improvements that are stated to have changed the mindset of both management and personnel and resulted in embarking upon a continuous improvement path by participating companies. It is not possible to make evidence-based statements about wider effects such as income, profits, employment, cleaner production etc.

The evaluation mission is not in a position to verify the findings that served as input for the draft final report and that are based on performance sheets obtained for 8 out of 10 groups of companies supported in phase 3, including complete customer satisfaction surveys (from 57 out of 76 companies). As there was no comprehensive central "storage" of baseline information and as performance data were incomplete, 'post facto' collection of information for the final report was time consuming. Particularly data on the companies involved in the beginning of phase 3 were not easy to collect (hence information on 8 out of 12 groups of companies supported under phase 3, keeping in mind that for two groups support is ongoing to date in order to complete the cycle of 30 months of company support). The project approach followed did include seeking information on the outcomes at the level of companies included in the previous phases 1 and 2.

Promoting livelihoods in North Eastern India – the Cane and Bamboo Networking Project

It is not possible to assess the impact of the phase 2 at present, given the status of implementation and experienced delays. What may be highlighted, however, is the fact that CBTC plays currently an active role not only as regards bamboo sector development in India, but also abroad in the form of south-south cooperation facilitated inter alia through UNIDO. To illustrate, training was conducted at the CBTC training centre in Assam for artisans from East-Timor and CBTC also provided advice and training in other countries in South-East Asia, Africa and Latin-America.

"Cane and bamboo" have actual and growing potential for poverty reduction along the value chain, involving handicraft and industrial processing with market potential for a range of different products and for providing employment opportunities in rural areas including for women. Moreover, as a fast growing and easily renewable resource, they constitute "green products" in the widest sense.

National Programme for Technology Upgradation of Brass and Bell Metal Industry in Khagra

Not having visited the project location, it is difficult to give an indication of actual or likely impact of this project. Moreover, given delays encountered, it was probably premature to assess project impact at this stage.

II. 7 Assessment of Global Forum function and activities

Global Forum (GF) activities are those which are initiated by UNIDO (or the United Nations System at large) with the objective to exchange and disseminate knowledge and information, as well as facilitate partnerships. GF activities are intended to have informative, advocacy, and normative functions and contribute to enhanced understanding of sustainable industrial development issues. The evaluation mission found that the evaluability of the GF activities was low due to the absence of articulated results, intervention logics or indicators of success and that it was not possible to apply the standard evaluation criteria. The following set of GF activities, implemented in India were, nevertheless, reviewed.

The **Agro Industry Forum**, New Delhi, 2008 was jointly organized by the GoI, FAO, IFAD and UNIDO. This was a highly visible event, inaugurated by the Prime Minister and with high-level national and international attendance. The Forum and its content were appreciated by Indian partners and the GF created awareness of and drew attention to pertinent agro-industry issues, in India and globally. Many interviewees felt that the event contributed to put agro industry development back on the agenda. Moreover, the Forum achieved its objectives in terms of sharing lessons and experiences from agro-industry development, fostering stronger collaboration and joint activities among multilateral organizations and to clarify the distinctive roles, in agro-industry development, of the public sector, multilateral organizations and the private sector.

There have been no specifically designed activities for follow-up in India but follow-up meetings took place; in Asia, Africa and Latin America. The African one, organized in Abuja, Nigeria in 2010 paved the way for increased collaboration between UNIDO and the African Development Bank and a new programmatic UNIDO framework: the African Agri-business and Agro-Industry Initiative - 3ADI.

One of the outputs of the GF was a publication “Agro-industry for development”, consisting of papers presented at the Agro Industry Forum and additional contributions from, often renowned, scholars and development practitioners.

In two instances, planned GF events did not take place or were not supported by UNIDO. With regard to the “**International Forum Stona 2008 – Buyer Seller Meet and Technology Show**”, organized in Bangalore, in February 2008, interviews with the client, the All India Granites & Stone Association, revealed that no support from UNIDO was made available for this event, despite repeated request letters from the Association, which were left without response.

In 2010, the activity ‘Buyer Meet Seller’ was stopped and replaced by a new programme of industry members’ visit abroad. Similarly, a conference on water mills planned for 2009 has not yet taken place but the conference is now expected to be held in 2012.

In contrast, other events took place and are seen as productive. The workshop on **Production of user and environment-friendly pesticide formulations, quality assurance and instrumental methods of analysis** (New Delhi, March 2009) was organized in collaboration with the Regional Network on Pesticides for India and the Pacific (RENPAP). Participation in the workshop included professionals from RENPAP member countries. The main objective was to assist these countries in strengthening their capabilities in the field of pesticide development and quality assurance. This seems to have been achieved and the evaluation of the workshop, by participants, was very positive.

The **Expert Group Meeting (EGM) on Promoting renewable energy for industrial applications** (New Delhi, January 2008) was also considered as a success and to have increased understanding of sustainable industrial development issues, including renewable energy industrial applications. A total of 54 participants including representatives from various GoI agencies, donors, industry, academia and financial institutions took part. Based on the discussions and suggestions, a comprehensive document entitled "Renewable Energy for Industrial Applications: A Case Study of India" was prepared. The participation of senior officials of the Ministry of New and Renewable Energy (MNRE) in the deliberations and the sharing of the EGM outcomes within the MNRE led to a fine-tuning of the Ministry’s programme in this area.

Also to be mentioned is an **international seminar on small hydropower**, held in Trivandrum in December 2007, organised by the Government of Kerala, the Energy Management Centre and UNIDO.

II.8. Participation in UNDAF and other UN mechanisms

The United Nations Development Assistance Framework (UNDAF) is the UN System's collective response to the development challenges of India. It is aligned to the Millennium Development Goals (MDGs) as well as the priorities of the 11th Plan of India. Furthermore, it has a strong focus on promoting gender equality and strengthening decentralization. The main partner is the Planning Commission due to the perceived need to link up with the inclusive growth strategy of India. As many of the bilateral programmes have been phased out, bilateral agencies increasdingly provide indirect support through UNDAF or through the UN system, in general. This can be regarded as a window of opportunity for the UN system, including UNIDO.

The present UNDAF "Promoting social, economic and political inclusion for the most disadvantaged, especially women and girls 2008-2012" is now half way through.

The **UNDAF 2008-2012** aims at four development outcomes, out of which UNIDO is participating in Outcomes 1, 2 and 4:

Outcome 1: By 2012, disparities reduced and opportunities enhanced for disadvantaged groups, especially women and girls, for the achievement of MDG related 11th Plan Goals, through strengthened policy framework and implementation capacity of large scale state and national programmes.

Outcome 2: By 2012, accountable and responsive local government systems, in rural and urban areas, are in place in selected districts/cities (within priority states) which promote equitable and sustainable development to achieve MDGs/local development goals with special attention to the needs of disadvantaged groups, especially women and girls.

Outcome 4: By 2012, the most vulnerable people, including women and girls, and government at all levels have enhanced abilities to prepare, respond, and adapt/recover from sudden and slow onset of disasters and environmental changes.

The fact that economic growth (or related areas such as industrial development or PSD) is not, explicitly, part of UNDAF, has limited UNIDO's actual and potential role.

However, the Consolidated SME project is included in the UNDAF under the Poverty Reduction Cluster or Outcome 1 – Poverty and Livelihoods theme and there is a reference to UNIDO under other outcomes in the UNDAF document. UNIDO is, as noted above, mentioned in relation to the Vulnerability Reduction Cluster and in relation to the disaster reduction and climate change themes.

At the same time it is not clear how UNIDO specifically contributes to the UNDAF outcomes or which of its projects actually fall under the UNDAF but the contribution of UNIDO seems rather limited. A mid-term "results-oriented" review was conducted of the UNDAF in 2010 and provided interesting information about

progress towards UNDAF outcomes but little information as to UNIDO-specific contributions.

As far as the UNIDO CP document is concerned, reference is made to its synchronization to UNDAF 2008-2012. However, beyond listing the intended UNDAF outcomes and outputs in these areas, the CP document does not define nor specify how the ongoing or planned UNIDO interventions are related to the UNDAF priorities and to what extent cooperation and coordination is foreseen and with which other UN agencies within the context of the UNDAF. The weak linkage of the UNIDO CP 2008-2012 to UNDAF 2008-2012 has two possible explanations: either UNIDO was not very active in the preparation of the UNDAF or the organization was not able to influence its priorities. Comparing the CP document and the UNDAF targets, there are indeed few areas under which UNIDO's ongoing and planned support could concretely "fit", to the extent that the priorities are (i) very general and (ii) targeting in particular disadvantaged groups and regions.

For a reason not fully understood by the evaluation team, economic growth, productive activities and energy and environment concerns are not explicitly listed among UNDAF's goals, at least for the period 2008-2012.

Moreover, the current UNDAF focuses on seven "priority states", while, generally UNIDO projects are not state oriented, with the exception of the ones implemented in Orissa. Interventions in the State of Orissa and in the North-Eastern region would seem to qualify as support in accordance with UNDAF priorities, but this association would be slightly "artificial", in that the UNDAF target groups (especially women and children) did not really converge with the overall focus of the UNIDO support in these regions, with the exception of support to some micro-enterprise clusters (which however ended in 2007, i.e., prior to the start of the current UNDAF cycle). One can argue for and against geographical focus and probably many of UNIDO's projects warrant a national dimension but the fact that most of UNIDO's projects are not within the priority states makes it difficult to link up with UNDAF.

II.9. Reporting, coordination and management

Reporting, monitoring and evaluation

As mentioned above, the 2008-2012 Country Programme (CP) was approved in May 2008. The first CP progress report was prepared (for IDB.36) in May 2009, the second (for GC.13) was prepared in October 2009 and the third (for IDB.37) was prepared in March 2010. Moreover an "Annual Report 2009 – UNIDO operations in India was prepared" by the Regional Office. The formal reporting requirements can thus be said to be more or less fulfilled. However, reporting is not only about format but also about content and taking a closer look at the progress reports, there is very little information about what has actually happened during the reporting period, in terms of progress made or results achieved. In fact the information in the last two reports, with the exception of information on budget figures, sources of funds and expenditures is identical with the previous one. The March 2010 report even mentions that "the execution of the CP will start in early

2010". It is evident that writing a progress report of a large and wide CP such as the one in India is a challenging task but it should not be forgotten that progress reports should report on actual progress made during the reporting period. To the extent that such reports are to inform the Programme Steering Committee (SC), they should also address issues for concern/improvement and related needs for decision- making by the SC.

As evoked above, UNIDO's Technical Cooperation (TC) Guidelines have not always been adhered to and this is in particular obvious when it comes to reporting and evaluation. Some stakeholders were of the opinion that a project document or a project steering committee could overrule the TC Guidelines or the Evaluation Policy, which is, in fact, not the case. Rather, UNIDO's rules apply to all projects managed by UNIDO irrespective of who the donor is the level of national contribution or decisions by the Steering Committee. The evaluation team also came across instances of "parallel" reporting where monthly reports were submitted to the counterpart ministry and donor but not to UNIDO, including the Regional Office (RO). There are also instances of reports being shared with the counterpart ministry and the project manager in Vienna but not with the RO in New Delhi. Progress reports have often not been submitted as required and this has been a particularly weak area for the two Centres. A final observation is that projects under other government agencies than DIPP did not provide reports to this nodal ministry. A weakness of some project documents is that there is no mentioning that the project falls under the authority of the UR and that there are reporting obligations also to the UNIDO Representative (UR)/RO.

There are also examples of deviations from UNIDO's Technical Cooperation Guidelines in relation to evaluation.

Coordination and management

The UNIDO Country Programme in India is large in size and wide in scope and the evaluation team counted not less than 21 allotment holders and around 60 individual project numbers although some could be grouped under the same project, as could be seen in Table 1. The programme portfolio is also large in terms of value, with allotments exceeding USD 30 million. In fact the India CP is one of the largest UNIDO Country Programmes. Around 80 per cent of expenditures relate to human resources and a large part of these are national expert's contracts or subcontracts, often managed by the RO. Moreover, 6 primarily regional and global, projects financed by the Centre for South-South Industrial Cooperation in India (INDSSIC) were included and are part of Component 3. In all, 12 regional projects, financed by the GoI, are operated out of India. Moreover, the Office has also been playing a crucial role in the development of the portfolio of pipeline projects, which includes two very large projects.

Management and administration has thus been a challenging task and the recommendation of the previous evaluation of a more focused programme was not really met, despite efforts in this direction in terms of integrated and consolidated project documents. In addition, this was one of the first Country Programmes of UNIDO and the absence of clear guidelines as to the management and monitoring of CPs has also been felt.

On the other hand, the RO launched several initiatives to facilitate the management of projects and the administration of financial transactions in India, Sri Lanka and Bangladesh. This was done in parallel to (and maybe due to) increased decentralization of services in areas such as procurement, recruitment and finance which put increased demands on the RO. The RO responded to the challenges and a review of administrative processes led to an on-line resource planning system in the form of relational web-based databases, streamlining processes and enabling data retention and tracking.

Another milestone was the signing of a Host Country Agreement between the Government of India and UNIDO in December 2009. The nodal Government counterpart, the DIPP, closely follows the implementation of projects directly under its authority and has a particularly active role in the International Centre for the Advancement of Manufacturing Technology (ICAMT) and UCSSIC. The evaluation mission noticed that a national level steering committee had just been recently established and regular meetings between the UR and the nodal ministry institutionalized.

It should be mentioned that several of the projects under review have had functional steering committees and that project specific issues have been dealt with but that the steering mechanism was not operational in all projects and, where in place, these committees were not always proper vehicles to deal with programme level or inter-project issues. There is demand for more information on behalf of national counterparts on the results of UNIDO's projects, including up-to-date information on budgetary and funding issues and a national steering committee could become an important vehicle for periodically information sharing.

For the automotive project a steering committees was foreseen but not put in place and for the bamboo project a steering committee was put in place but discussions have not focused on strategic issues.

Many projects do not fall under the direct authority of DIPP but under the authority of the MSME, the Ministry of Coal or the Ministry of Environment and Forests, or as in the case of up-coming project – Promoting Energy Efficiency and Renewable Energy in Selected Micro, Small and Medium Enterprises (MSME) Clusters in India - a GEF project under the GEF Focal Point, with the Bureau for Energy Efficiency as the executing agency and the MSME and the Ministry of New and Renewable Sources of Energy as implementation partners. The evaluation mission perceived a certain lack of coordination at the level counterpart ministries such as between the Ministry of Environment and Forests and DIPP and between DIPP and MSME.

Another observation is that the respective roles of the nodal ministry the DIPP and the RO have not always been clear, nor the roles of DIPP versus other (sector specific) counterpart ministries. This is a concern considering that the large part of UNIDO's portfolio in India consists of projects that are not under the direct auspices of the DIPP and with GEF rather than IDF funding. In view of the large environment/GEF portfolio, the need to have a UNIDO focal point at the Ministry of Environment and Forests was raised by many interviewees.

The high degree of ownership of the GoI in relation to the UNIDO programme is positive and has contributed to efficient project implementation and positive results of many projects. It has also resulted in a high level of alignment of the UNIDO country programme to national policies and priorities.

The hands on national management of some projects have sometimes led to a sub-optimal involvement of UNIDO technical expertise and there is the impression that UNIDO's Guidelines for Technical Cooperation have, as mentioned above, not been given the weight foreseen in the Country Programme Document but rather that national guidelines and instructions have been followed. In particular, project monitoring and reporting have been weak areas in spite of the fact that the need for improved monitoring was highlighted in the previous country evaluation report.

The GEF portion of the portfolio is, as mentioned above, large (above USD 30 million) and on the rise. GEF rules call for an accredited executing agency or GEF Agency, which is the role assumed by UNIDO amongst other agencies in India. However, the projects are in reality more or less implemented through a national implementation modality, by so called executing partners or agencies, led by the GEF focal point, based at the Ministry of Environment and Forests. Presently the executing agencies/partners are the Office of Development Commissioner, the MSME, the Bureau for Energy Efficiency, the Indian Renewable Energy Development Agency (IREDA) and the Small Industries Development Bank of India while another crucial partner, the Energy and Resources Institute (TERI) is a national consultant.

For projects financed under GEF 5, the situation will somewhat change and UNIDO is presently preparing a new framework allowing for national implementation (as is the case for UNDP) and clarifying UNIDO's role in this case. It is likely that TERI, who has proven to be a competent partner in the implementation of GEF projects in the past, will play a crucial role in the large-scale upcoming energy efficiency project. Counterpart ministries will be the MSME and Ministry of Renewable Energy. The need for a solid (results-based) monitoring system and for UNIDO assuming a monitoring role was evoked.

The Integrated Cluster Development Project (ICDP) is an innovative idea promoted by, amongst other, the UR in order to have a comprehensive approach to economic and/or sector development, more integration and to "deliver as one UNIDO". It is expected to enable UNIDO to work as a team and to draw on different areas of expertise and from more than one branch. The project was launched in 2010 but is not yet operational due to outstanding funding issues. There is however a danger that this project, in spite its intention for integration, will operate through parallel and sector specific paths (automotive, leather etc.) with limited integration and that it risks being funded only in part.

Although many of the projects in the portfolio work in the same sectors and address similar issues, few linkages have been established between projects. The CP document foresaw linkages between E&E and PSD projects. This did not really materialize but is now being planned for the ICDP project. The fact is, however, that many of the past and present projects supported upgrading of

enterprises such as in the automotive sector and there would have been scope for a more direct level of cooperation than what has materialized. As an example, the CP project worked with the automobile sectors in Karnataka but there was no indication of any substantial cooperation with the Automotive component project in other regions.

As per the initial planning, the ICDP would work with the auto component cluster and coordination was envisaged with prior and planned projects in this sector. As per more recent discussions between UNIDO and DIPP (i.e., after the evaluation mission), there seems to be a request from DIPP to work with other clusters.

Many projects are promoting upgrading and quality management but in the latter respect the absence of collaboration with the UNIDO CP unit is noteworthy. Moreover, several Cluster Development approaches were used by PSD projects but, at times, without the involvement of UNIDO's Cluster Development Unit and resulting in differences in the approaches followed and missed opportunities for benchmarking and to benefit from past experience and available expertise in this field in India.

As mentioned already, many projects see themselves as upgrading projects or are specifically designed with an upgrading objective but little has been done to develop an upgrading strategy, or to assess the various approaches used with the objective of identifying best practices, in terms of cost-effectiveness or development results, or establishing benchmarks. The consolidated SME project aimed at bringing out replicable models and to function as a catalyst for MSME development and also for this project it will be important to assess in the forthcoming project evaluation the various models tested.

There was a discussion to include ICAMT in ICDP but this did not (yet) materialize. In fact, few of the reviewed projects have had any cooperation with the South-South Industrial Cooperation Centre or ICAMT. However, the diagnostic tools used by the Consolidated SME project are also used by ICAMT and the overall approaches are similar.

The evaluation team noticed a high level of technical competence, both at the national and UNIDO/international levels and that professionalism seems to have been a key criterion in partner selection.

Some of the managers (UNIDO HQ) of large-scale projects were of Indian nationality and this fact was often evoked as a potential source of conflict of interest in that these project managers could be subject to conflicting demands from two sides. Moreover, the UNIDO policy of not recruiting government officials as project managers has not always been adhered to. Another issue identified is that the RO and the donor are not always informed about project progress. Some project managers do not share travel or progress reports with the Regional Office, neither are project related documents, including progress reports, systematically uploaded on the UNIDO infobase. There have also been cases of project managers not visiting the RO when in Delhi.

The role of the RO in project management needs to be defined. Decentralization is progressing but there is still a limited number and amounts of PADs

administered in the field. Also, the RO plays a limited role in monitoring, one reason being the lack of a budget for monitoring visits. However this should not be a reason for not keeping a closer eye on projects with national counterparts and UNIDO experts stationed in and around New Delhi.

Imprest account

The imprest account, introduced in 2006, enabled UNIDO and the RO to experience "new ways of doing business" and has facilitated project implementation. It is well managed and generally felt to have contributed to more efficient project management. At the same time, there have been and still are instances of severe delays in payments and this seems to have been related to periods when the imprest account was in need of replenishment. These delays have, at times, negatively affected the implementation of project activities.

The assessment of RO staff is that, on average, payments have been speeded up, that the expenditure reporting has improved and that the RO has better control and insight over what is being paid. The Office needs to verify the completeness of payment documents submitted and this can take some time. Average processing times is, however, estimated to have gone down from 15 days to one week. Costs have been reduced as there is no longer any need to pay process charges to UNDP.

The buffer of the imprest account started at a rather low level of planned expenditures for 0,5 month in 2006 and has been increasing from an amount of USD 250,000 to USD 750,000. The proposal of allowing for an even larger buffer has been raised. The RO would like to see this buffer at a level of about 2,5 months.

The monthly more or less fixed amount, established by UNIDO's Finance Services, is transferred to the RO on a monthly basis. The RO is responsible to review the accuracy of the expenditures, issue payments and provide a monthly report. The reports from the RO have been timely, of good quality and enabled replenishments according to plan. Despite this there have, as already mentioned, been occasional liquidity problems. One reason is that the Office at times gives advances to projects but that this is not registered as expenditure, thus does not qualify for replenishment as there is a need to recover the outstanding amount in order to qualify for replenishment. One way to solve the problem would be to register advances as expenditure and another to be more precise in forecasting and recovery planning and thus have less outstanding advances. The issue is presently reviewed by Financial Services under the Change Management/SAP.

Other imprest-related actions or activities have been the recruitment of administrative staff under project budgets to, among other duties, handle tasks in relation to expenditures and payments. This was the case for one of the Orissa project, where the national coordinator managed a decentralized account under the overall guidance and control of the FO. The fact that project staff got, although limited, access to the system eased the burden on field office staff as many of the time-consuming entries could be handled by project staff. The Account Recoverable Locally (ARL) was replenished when empty and based on proof of actual payments.

In addition to the India imprest account, the Office manages sub-accounts for Sri Lanka and Bangladesh. This means that six accounts need to be managed as there are both USD and local currency accounts. The Office also handles various (decentralized) procurement tasks – about 70 to 80 orders per year, assists with recruitment of consultants and organizes international travel.

II. 10. Field Office performance

The India Regional Office (RO) is one of 10 UNIDO regional offices and part of a larger network of field representation also covering 19 UNIDO country offices and 18 UNIDO desks. The fact that India is covered by a UNIDO Regional Office needs to be highlighted as it substantially adds to the workload. The present coverage is India, Afghanistan, Bangladesh, Bhutan, Maldives, Nepal and Sri Lanka. Staff estimates that the larger part, around 70 per cent of their time, is devoted to India.

The RO was positively assessed with regards to its contribution to UNIDO's representative, convening, normative, advisory and technical cooperation functions. It was found to maintain relations and have direct collaboration with a large number and range of public and private actors and both at regional, national and state levels. It also provides vital support to the formulation and management of UNIDO projects and, finally, had a great degree of involvement in global forum and convening activities.

RO resources and core activities

The RO is headed by a UNIDO Representative and had during the period of review been endowed with on average four international (including Junior Professional Officers/JPOs) and four national staff members. The latter includes a communication officer, seconded by the DIPP. The assignment of a communication officer is felt to have increased the visibility of the office and, not the least, an internal publication "UNIDO Times" has contributed to an increased awareness of UNIDO and its projects.

Reviewing the publications issued by the FO the evaluation team was impressed by the high quality both as regards presentation and content but also took note of the somewhat promotional nature of the publications and the absence of advocacy or awareness raising messages in areas close to UNIDO's mandate (energy efficiency, clean production, green industry, Corporate Social Responsibility (CSR) and poverty reduction).

The present UR assumed her functions in mid 2010 and the post was vacant for four months, during which time a P5 professional served as Officer in Charge. Environment/energy expertise was felt to have been lacking in the past but this was remedied during 2010 through the assignment of a professional staff member, at the P3 level. This person has an environment background and the recruitment was timely and relevant. The staff member has been assigned responsibilities in relation to the environment and energy efficiency portfolio.

There is, however, a need for this field-based staff member to be integrated into the Environment and Energy Branches and to provide more substantial support to the E/E portfolio. The evaluation took note of the fact that this newly recruited international staff member was not able to participate in a HQ based retreat of the Energy Branch due to lack of funds. The travel funds at the disposal of the RO are solely for travel within the region.

The evaluation mission recognizes recent efforts to strengthen the human resource capacity of the RO but resources are still relatively weak considering the large and wide UNIDO portfolio and the need for a field presence. This said, the evaluation team was impressed with the professionalism of UNIDO staff members, both at the programmatic and administrative levels and in relation to international as well as national staff. Nevertheless, the current RO capacity for administrative and substantial support including procurement, recruitment, monitoring, validation of data collection, quality control and review of reports and other information submitted by national subcontractors, is limited and needs strengthening.

In view of the many large scale projects implemented in India it is somewhat surprising that there are not more India-based project management staff under L-contracts and the evaluation team found it “sub-optimal” to have project-financed L-staff based in Vienna/home-based rather than in India for the upcoming large scale automotive component projects.

In addition to UNIDO staff member, there are also a large number, estimated at around 200 per year, national consultants under a UNIDO contract and a large part of project implementation is carried out through subcontracts (and subcontracts of subcontractors) with Indian firms or institutions. According to the March 2010 Country Programme Progress Report, 58 per cent of total CP funds were spent on project personnel, 20 per cent on subcontracts while training and equipment caters for relatively low expenditure shares of four respectively six per cent. As there is a high degree of reliance on national experts and consultants as well as on national subcontracts, there is a large work burden in terms of contract administration falling on the RO.

Many of the UNIDO stakeholders interviewed see the main role of the RO to provide administrative support to projects, manage the imprest account and effectuate related payments as well as to issue and manage contracts to national experts and consultants.

The large and growing UNIDO portfolio brought about a need to rationalize processes and, as mentioned above, the RO has pioneered new ways of “doing business” and mainly in terms of managing imprest accounts and effectuating online payments. The online payment system has streamlined procedures and there is no longer a need for manually raising payment vouchers and sending checks. This, in fact, paved the way for the imprest account and the decentralization of certain functions at the level of projects. The Office has also developed new electronic modules, such as payment module, procurement module and personnel module and related data bases. This has reduced the work load of the office and made the operations more efficient. Also accuracy is estimated to have improved.

In other areas, the RO has only been marginally involved. Fundraising, for instance ismainly done at the level of HQ and the Office is not really performing a programme level coordinating role. This could be expected considering the relatively weak RO human resource base.

There has, however, for some projects, mainly in the PSD portfolio, been substantial involvement of RO staff. But, for a large part of the portfolio, the Office fills more of an administrative role and there is a need for much more substantial involvement, including results monitoring. This said, the RO performs a key and crucial role in coordinating and liaising with the Nodal counterpart agency, the DIPP. The presence of the UR and other FO staff in project-related Steering Committee meetings is, moreover, a rule and appreciated.

Some misunderstandings seemed to exist, among national experts, regarding the level of terminal expenses in India and UNIDO's rules in this respect and there is a need to ensure that these rules are known.

Many projects seek to perform important advocacy functions be it in areas of PSD and poverty reduction, cleaner production, energy efficiency, renewable energy or green industry. The RO staff is also vocal about these issues in industry association and UN coordination meetings and in meetings with the GoI but, at the same time, there is no systematic approach and, as mentioned above, the advocacy profile of RO publications could be increased.

There is no larger trade capacity building project in India as the internal market is sufficient for most companies and this has not been a priority of the GoI. UNIDO, has however, been advocating for quality standards (as these are equally important for products and services for the internal market) and there is an indication that support in these areas will be in increasing demand. Cleaner production is another area where stakeholders feel UNIDO could do more.

The UR is playing an active role in the United Nations Coordinating Team (UNCT) yet has played a somewhat limited one in UNDAF so far. As the UNIDO programme is of a commendable size, the priority of the office has been managing the primarily free-standing UNIDO portfolio rather than promoting the inclusion of UNIDO in UNDAF. Another reason is, of course, the already mentioned gap between (equally relevant) UNDAF and UNIDO objectives.

UNIDO and the RO staff are appreciated for their technical capacities and competence and some UN stakeholders would like to see, and the current UR is advocating for, the inclusion of Economic Growth in next UNDAF. For the present UNDAF phase, ILO is leading the work on employment and entrepreneurship development and UNDP is the lead agency for the Environment cluster. UNIDO is often referred to as the lead UN agency in the field of energy.

In summary, there is room for an increasing role of the RO in programme/project development, fund raising and implementation. RO staff argue that there is a need for more decentralization of PADs in order to pave the way for a deeper involvement and integration. Another proposal stemming out of the interviews was that project managers need to define roles and tasks (including

implementation tasks) for the RO and individual staff in project documents and annual work plans. In conclusion, however, the RO comes out as a highly performant and in many ways as a model UNIDO field office, highly appreciated by partners.

RBM Work Plans

RBM Work Plans were prepared for 2008. More or less the same seemed to have been "developed" for 2009 and 2010. These work plans are not really used as a management tool and considered to be of marginal usefulness. They are felt to be useful tools for recapitulating what the functions of the RO are and in identifying areas where activities should continue or efforts increase. However, the tool is felt to be of limited use to RO staff in that it is too detailed. More specifically, there are too many outputs and it is too time consuming to keep track or monitor them all. In addition the areas covered are many. Moreover, it is found difficult to qualify or quantify outputs or activities. Maybe it is correct to state, as one interviewee put it: "it is too detailed and too generic at the same time". As a result the RBM Work Plan is not used as a management or planning tool. It is, nevertheless, seen as tool to inform the Government of the RO mandate and envisaged activities.

A review of the RBM Work Plan indeed reveals that indicators are vague and not quantified and that outputs are not really evaluable or results-oriented and the following performance indicators are an example of this:

- UNIDO inputs absorbed in government policies and strategies and other relevant documents
- Major events with UNIDO effective presence
- Number of formal UNCT and other coordination meetings attended
- Relationship with and responsiveness to local donor community
- Timely implementation and finalization of projects

Moreover, the activities are vaguely formulated and do not really constitute a work plan. The evaluation team is also skeptical to Outcome 1 of enhancing UNIDO's visibility and finds that RO outcomes should rather focus on providing support to India's development strategies or in addressing identified problems or in contributing to UNDAF outcomes. Furthermore, the RBM work plan could be more focused on concrete results. As an example: to have "visibility of UNIDO in UN documents" is not an adequate indicator. The UNIDO name in fact appears on various places in the UNDAF document but it is not known to what extent UNIDO actually contributes to UNDAF outcomes.
Finally, there seems to be no monitoring of or reporting on the implementation of the Work Plan.

Visibility

The Office earns a high degree of visibility and the communication officer has been able to promote UNIDO-related features in many Indian periodicals. The Annual Report 2009 mentions 105 citations in Indian newspapers between 2007

and 2009. As part of its promotional effort, various booklets on UNIDO projects have been produced.

The newsletter "UNIDO South Asia" was revived in 2007 and appears quarterly. The Regional Website is of good quality and well visited. It contains, in addition to information about the regional programme, UNIDO publications, of which many have a direct relevance to the region, as well as videos and press clippings.

The UNIDO publication "Making it" has been well received. The RO got 500 copies and out of these 300 were distributed in India.

II.11 South-South Cooperation

The promotion of South-South Cooperation was an explicit objective in the Country Programme. Even though distinct activities have been carried out through both the Centre for South-South Industrial Cooperation (UCSSIC) and the Centre for the Advancement of Manufacturing Technology (ICAMT), India has more to offer and there is an un-tapped potential for South/South (S/S) cooperation both in terms of specific South/South cooperation projects and having S/S components be part of large-scale technical cooperation projects when this is deemed to be feasible and to provide value added.

UNIDO Centre for South-South Industrial Cooperation (UCSSIC) and Centre for the Advancement of Manufacturing Technology (ICAMT)

The two Centres are mentioned in the Country Programme document but are not considered part of the same, in spite the fact that the 2007 evaluation of the Country Service Framework recommended that ICAMT and the UCSSIC "should come under the new programmatic framework as crosscutting activities, liaising and coordinating their activities with other UNIDO projects in India".

It was originally foreseen, as specified in the ToR and in the ODG/EVA Work Programme for 2010/11 that the above mentioned Centres should form part of the country evaluation and visits to the two Centres, by the evaluation team, had been planned. However, the evaluation team was informed by the GoI that the two Centres were not in the ambit of the Country Programme and that evaluations of the Centres were not timely. It was instead agreed that independent mid-term evaluations of the two Centres should take place in 2011.

In fact, the Country Programme document is rather ambiguous as to the status of the two centres. While on page 17 under Part II - Aims, Expected Results and Structure of the Programme – it is mentioned that "The Programme encompasses ICAMT and UCSSIC", it is also stated "While recognizing the special status of the Centres inherent in their international scope of activity, UCSSIC and ICAMT are listed here for the sake of a complete picture of UNIDO's operation in India". The Programme Document also states that "The Government of India will maintain its direct interest in UCSSIC and ICAMT and

play a role in shaping its projects". Moreover, ICAMT was envisaged to function as the technology branch of the S/S Centre but this is still to materialize.

For UNIDO, India is not only relevant as a recipient of its technical assistance but also because of its industrial and technological resources and competences and its actual and potential position as a provider of technology and other knowledge. In this respect, in spite of the presence of two Centres with the objective to promote technology transfer and South-South cooperation, UNIDO has brokered relatively little technology or advisory assistance from India. This said, ICAMT has been involved in "outbound" activities and mainly in the field of low-cost housing (Mozambique, Venezuela and Sudan) and leather, but the bulk of its activities targets Indian enterprises. Similarly, the UCSSIC has been implementing projects in Kenya, Nigeria, Ghana and Timor Leste. Also RENPAP has been a fruitful instrument to reach out with services related to the Stockholm Convention. Similarly, the Cane and Bamboo Technology Centre National has been actively involved in activities reaching out to other countries (South-South).

II.12 Contributions to MDGs

Out of the 8 MDGs and related targets, Goals 1, 3, 7 and 8 can be considered as relevant to UNIDO. Many of the reviewed UNIDO projects are found to have a potential for poverty reduction (Goal 1) and in particular the cluster development projects have shown direct poverty reduction effects and the bamboo project has a clear poverty reduction potential. Relatively little has been done to reduce gender disparities (Goal 3) and, in addition, gender has not been mainstreamed in project documents or reports. The environment portfolio more or less fits in with Goal 7 and principles of sustainable development have, furthermore, been promoted in national polices and programmes through various UNIDO projects. Energy efficiency is one of the areas targeted and here UNIDO is playing (and has played) a visible role and has the potential to play an even bigger role.

Moreover, several projects in the PSD portfolio can be said to be more or less aligned to Goal 8 – Develop a Global Partnership for Development, through its focus on technology transfer to private sector companies. However, as the indicators used by the GoI are related to Information and Communication Technology there is little actual alignment to UNIDO's projects. In conclusion, UNIDO being a small actor in a giant country, it is not possible to attribute any distinct contribution of UNIDO to India's progress towards achieving their MDGs but there is definitely concurrence between the UNIDO programme and the MDGs.

III

CONCLUSIONS

India is a country experiencing impressive growth rates, to a large extent due to the performance of the industry sector and technological advances. At the same time, large segments of the population still live in poverty and there is a need to address the economic dimension of poverty and disparities between people, including between women and men and between regions. In addition, increasing pressures on the environment constitute a major challenge.

India is a country with relatively strong institutions and where national expertise exists in many of the areas in which UNIDO is active (e.g., automotive sector, cluster development, bamboo, technology transfer) and there is a high reliance on national expertise in the implementation of UNIDO's interventions. At the same time, UNIDO has specific expertise and tools solicited by India and can generate value added. UNIDO is also found to have a distinct awareness-raising role and to have, for instance, promoted energy efficiency and green industry issues.

The UNIDO programme in India is very country based: large parts are funded by India, implemented in India and by Indian experts and consultants. The fact that India is both a donor (funder of several PSD projects) and recipient brings many advantages such as strong national ownership and a UNIDO Country Programme that is truly in line with national needs and priorities. At the same time, UNIDO's resources are relatively small and there is a need to direct its support to areas where UNIDO can have the highest strategic impact. In addition, the GEF implementation modalities are not static and there are growing demands for direct country access to GEF resources. UNIDO needs to demonstrate how it can generate value added in respect to GEF projects and how its experience and knowledge base can contribute to more efficient and effective implementation.

The Regional Office

The RO in India is a well managed and highly performant office that undertakes a lot of activities with relatively little human resources. It has a good level of cooperation with relevant public and private actors. The RO has been pioneering new ways of project administration and established benchmarks in this field. It fulfills a representative and coordinating function in India and not the least in relation to the nodal authority, the DIPP. On the other hand coordination with energy and environment related partners could be strengthened. Due to resource constraints, the Office has rather played a more administrative than substantial role in project implementation and there is room for more results-based monitoring.

The RO contributes to the high level of visibility of UNIDO in India and to raise awareness of UNIDO's programmes and strategic priorities. The visibility of the

office has been facilitated by a communications officer but the advocacy function of published material could be enhanced. In addition the Office has been crucial in ensuring UNIDO's responsiveness to national priorities and needs. The RO has also played an important role in facilitating GF activities.

Management

For some projects a certain disconnect with UNIDO rules and procedures have been noticed and in particular when it comes to reporting and evaluation. Moreover, the role of the RO in monitoring for results could be reinforced and the roles of national counterparts defined in greater detail. Review of funding status has not been standard practice and has led to delays in the approval of new projects.

Sometimes UNIDO management seems far away and a recent Executive Board decision to have UNIDO Centres being managed by ROs seems appropriate. The fact that different projects are implemented by different branches and have different counterpart ministries has not facilitated coordination.

Relevance and ownership

All projects were found to be relevant, in line with government priorities and strategies and related initiatives. The involvement of Indian partner institutions has been substantial, both at the design and implementation stages. For many projects there has been funding or cost-sharing by Indian counterparts.

Efficiency

The active involvement of counterpart ministries (including financing) has contributed to a high level of national ownership and efficiency in implementation but the respective roles of UNIDO vs national stakeholders have not always been properly defined. Another issue was the absence of a national UNIDO focal point for the Energy and Environment portfolio (and limited integration between E&E and PSD projects and between PSD projects.

Many projects target the same sector, for instance automotive, and the same objectives, notably upgrading and increased competitiveness but the level of collaboration between projects has been low. This is not due to any bad intention but it seems rather that nobody was assigned this coordinating role or felt responsible for it. The RO has plenty "on its hands" and the relatively low level of human resources has often prevented it to play a more substantial (as opposed to administrative) role in project implementation. The reorganization recently taken place at HQ and the move of the regional programmes to the Programme of Technical Cooperation (PTC) is welcome and seen as a mean to foster team work and have regional bureaus and FOs play both a more strategic and substantial role in TC delivery.

Extensive use has been made of national expertise. Delays in implementation have been encountered due to administrative bottlenecks and especially procurement has been a challenge for many E&E projects. A few PSD projects were found to be overly ambitious in terms of scope and coverage, created (too)

high expectations, faced problems and therefore delays in implementation or stretched out over a period longer than planned.

Effectiveness

There have been many concrete results in relation to the UNIDO programme and both in the area of PSD and Environment and Energy (E&E). Encouraging results have, for instance, been demonstrated at the cluster level in different sectors, as well as at the plant level for automotive components projects. The Government appreciates the achievements of individual projects but would sometimes like to see UNIDO working on a more strategic level.

UNIDO projects are seen as spearhead projects in wider national cluster development projects and while projects are generally considered as quite successful, guidance on strategy formulation for cluster development has been missing. For some projects, results have only been partly achieved, so far, and more attention to monitor for results and results-based reporting could have led to problems being captured at an earlier stage. Inadequate involvement of the Cluster Development Unit for projects following this approach but not directly managed by this unit was found to be a weakness.

Many projects in the E&E portfolio support the GoI in meeting its international obligations under various protocols and conventions and there has been significant progress in many areas, but for some projects results were still to be achieved.

The lack of attention to economic growth in UNDAF while it is focused on poverty reduction is noteworthy and somewhat frustrating as there is a growing recognition that growth and poverty reduction must go hand in hand and that it is not one or the other. At the same time, poverty reduction support through PSD-type interventions needs upscaling, learning and that best practices and benchmarks feed into policy in order to generate impact.

The launching of the Integrated Cluster Development Programme is an exciting venture, because of its potential to address identified technology, quality and environment-related constraints and thus contribute to both enhancing competitiveness and environmental sustainability.

An additional objective of the Country Programme was to build on India's expertise, technology and know-how to assist other developing countries. UNIDO's main partners in this endeavor have been the UCSSIC and ICAMT but activities have been at a relatively low level.

Sustainability

The likelihood for the benefits of the PSD interventions to continue beyond their completion varies across the projects reviewed. In several cases counterparts continue providing the types of services and using approaches introduced through UNIDO's support. In some projects technical sustainability is fragile. Where institutional anchorage has been weak or weakened, sustainability is

affected and is a critical issue to be addressed in the follow-up support being foreseen.

There are several examples of replication of cleaner technologies introduced through UNIDO projects, sometimes integrating successfully adaptations to Indian conditions. However, these positive results may be impeded by a lack of financial means and limited capacity to develop investment projects.

Impact

In several cases there are good indications of impact at the level of beneficiaries, even though evidence is often somewhat anecdotal in the absence of robust monitoring systems. In general, it is difficult to assess to what extent interventions have contributed to the reduction of poverty.

E&E projects contribute by their very nature to the MDG 7 'Ensure Environmental Sustainability'. This is mainly through reduction of CO2 emissions associated to improvement in energy efficiency and reduction of ozone depleting substances through projects related to the Montreal Protocol. However, a robust assessment of projects contribution to higher level objectives is impeded by the lack of impact indicators in the project documents and reliable monitoring data.

There is no indication that gender issues have been mainstreamed in the projects reviewed.

IV

RECOMMENDATIONS AND LESSONS LEARNED

IV.1. Recommendations

The evaluation resulted in both general and project specific recommendations and lessons learned. Many address over-riding issues, such as coherence with UNDAF and inclusion of economic growth among its priorities, the need to mainstream gender and environment issues and to deepen coordination and cooperation between (related) interventions. Specific recommendations include suggestions as regards the remainder of the ongoing projects, issues considered important in the future implementation of the current pipeline projects, as well as a number of points concerning the modus operandi of the UNIDO RO.

General and strategic recommendations to the GoI and UNIDO

- More attention should be given to sharpen the strategic focus of the country programme in order to promote impact on sustainable industrial development and support to national policy development. In view of the changing roles of donor and technical cooperation agencies in India, UNIDO should focus on filling technology or competence gaps or brokering knowledge in priority areas.

- Gender equality and environmental sustainability should be mainstreamed in all projects.

- In view of the large share of environmental projects a UNIDO environmental focal point should be appointed by the GoI and the RO reinforced with environment-related competence.

- Coordination should be facilitated and encouraged between the MoEF and DIPP in order to foster integration and synergies between E&E and PSD projects.

- Reinforce the south/south cooperation aspects of the UNIDO Programme including the outbound transfer of technology.

- Promote the inclusion of economic growth related themes and issues in the next UNDAF cycle.

- Project steering mechanisms should be in place and cover reviews of allocations and disbursements as a standard agenda item for steering committee meetings.

- Define the key roles and the most effective division of labour, in project implementation, between UNIDO and Indian partner institutions.

- Reinforce coordination between different projects for increased synergy effects.

General and strategic recommendations to UNIDO

- The RO should increase its role in coordination and substantial monitoring of the Country Programme and its components.

- Adherence to UNIDO Evaluation Policy and the TC Guidelines should be ensured for all projects. The RO should ensure that UNIDO roles and procedures are clear and known to national stakeholders and UNIDO experts and consultants.

- Monitoring and reporting should be results-based and enable early warning signals.

- National implementation modalities should be developed for project outcomes or outputs/activities for which national implementation would be appropriate.

- Procurement should be further decentralized and a procurement officer assigned to the RO.

- The RBM work plan should be reviewed in order to increase its utility and its function as a planning and management tool. The RO should identify priority outputs for each of the outcomes and concentrate on a limited number of outputs and activities during a given year.

- The UNIDO RO in New Delhi should be strengthened, in view of the growing portfolio of projects and particularly in the field of environment.

- Better use of current programme officers at the RO should be ensured and project managers should look into possibilities of decentralizing PADs to the field.

- The FO should pay more attention to its advocacy function and align its promotional materials and publications to this function. For instance, there could be more advocacy in relation to UNIDO priority areas such as green industry or clean and sustainable industry.

Recommendations related to Energy & Environment Portfolio

General

- Considering the growing share of projects financed by GEF and more generally EE projects for which the counterpart is the MoEF:
  - Ensure that clear lines of communication are established between the Regional Office and the MoEF, generally and for each project.
  - Ensure efficient monitoring of projects in the portfolio
- Earlier determination of actual equipment to be procured and improved management of the procurement process. Procurement planning should include technology selection and cost assessment and enable the selected equipment to be installed during the project lifetime and be effectively used.
- Assess the sustainability of the Indian Cleaner Production Centre in close coordination with DIPP. If a decision is made to maintain the Centre, actively involve the Centre in up-coming projects and implement the recommendations of the previous CP-Programme evaluation.

POPs-related projects (PCBs/Medical Waste)

- In order to ensure effectiveness and sustainability of the projects, the identification of legislative requirements as well as effective enforcement mechanisms and incentives should be an integral part of the project's strategies
- Activities targeting the local population should not be limited to public information and general awareness-raising but also provide for close cooperation with local NGOs and municipalities, along with the actual participation and involvement in decision-making processes.
- Lessons from the NIP evaluation with regard to project implementation should be used to improve efficiency and effectiveness of post-NIP POPs projects
- Coordination of legislative tasks undertaken under the NIP implementation project and the post-NIP projects should be promoted in order to avoid duplication and overlapping.

Medical Waste project:

- Clarify the approach to public private partnership and assess the adequacy and effectiveness of this modality for each of the planned activities. Particular attention should be paid to commercial viability.
- Pursue the efforts to support the project preparation team in securing co-financing of the project.

Recommendations related to Private Sector Development

Consolidated project for SME

- Plan and prepare the finalization of remaining activities (based on the decision of the donor as regards the outstanding funding), including conducting the mandatory project evaluation (for which the required budget allocation is to be reserved under budget line 82) and prepare a detailed final report *(based on the recent decision as regards the extension of the project duration, the mandatory project evaluation is now scheduled for end of 2011 or early 2012)*

Orissa investment promotion

- Complete and submit the final report of the investment promotion project to the counterparts in Orissa, the RO and to DFID

- Use the final report and the findings of this evaluation as a basis for discussions with local authorities and DFID and find out to what extent and in which field(s) there could be scope for cooperation with the new DFID funded OMEGA programme, currently under preparation; to the extent the latter is likely to include both investment promotion and SME (ancillarization) support, there could be scope for possible involvement of different units in UNIDO.

Automotive components (new projects)

- Organize a planning workshop in India with the local stakeholders to discuss the planned projects in the field of automotive components and related fields (the next phases of the partnership programme, the quality component of ICDP, industrial maintenance support), with a view to ensure that lessons from past projects are adequately reflected from the start (both in terms of “content” and “management” of these projects, including inter-linkages among these projects and with other related initiatives in India). Such discussions should be held prior to the actual start of the projects or latest during their inception phase and aim at harmonized programming of the interventions.

- Resolve issues causing delays in decision-making on the funding of the current pipeline projects with Indian Government as a donor (including clarification of respective roles in implementation and related budget allocations).

Cane and bamboo networking project

- A Steering Committee meeting should be held in the near future to discuss the findings of the evaluation mission and decide on necessary follow-up actions to bring the project ‘back on the rails”. Items on the agenda should include the possible preparation of a project revision cum work plan adapted to the available budget, solutions of trust deficit issues among project stakeholders, as well as definition of the most appropriate

strategy as regards the proper completion of support to the first cluster (Nalbari) as well as to the remaining clusters identified.

- Consult with UNIDO cluster development specialists to seek their advice and involvement in the project

Brass and bell metal project

- UNIDO HQ should submit, to the counterpart ministry, an updated work plan and budget proposal for the remainder of the duration of this project and after having consulted with UNIDO cluster development specialists to seek their advice and possible involvement.

Integrated Cluster Development Project

- Clarify with DIPP the reasons for the delays in actual funding of this project officially launched at the end of 2009 and initiate remedial actions.

- Discuss the design of the project in the light of the risks identified by the evaluation mission and, if deemed relevant, redefine the project implementation strategy.

IV.1. Lessons learned

Programme coordination and synergy effects do not just happen if there are no specific resources allocated for this and responsibilities assigned.

Co-funding by the recipient country enhances ownership and can also facilitate the smooth implementation of projects (when external donor funding is insufficient or received with delay).

Adequate time and resources spent on project identification and preparation (including attention to strategic issues such as institutional anchorage, selection of technology and exit strategy) are good investments and pave the way for smooth implementation and sustainability.

A centre set up for training or demonstration purposes needs an ex ante business plan that includes a strategy for the optimal use of the facilities and long-term sustainability.

Plant level upgrading often needs to go hand in hand with improvements in the business environment, in order to enhance the productivity and competitiveness of enterprises.

Annex A:

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION

TERMS OF REFERENCE

FOR

THE INDEPENDENT COUNTRY EVALUATION IN THE REPUBLIC OF INDIA

I. BACKGROUND AND CONTEXT

A mid-term evaluation of the United Nations Industrial Development Organization (UNIDO)'s Country Programme (CP) (2008-2012) in India was proposed by UNIDO's Regional Strategies and Field Operations Division (RSF, former Programme Coordination and Field Operations Division). Consequently a country evaluation was included in the ODG/EVA Work Programme 2010/2011 and later approved by the Executive Board.

In addition to assessing country programme instruments (like CPs), country evaluations will include an assessments of the Field Office (Regional Office, Country Office or UNIDO Desk), Global Forum activities, how various management functions/tools contribute to efficient implementation, and achievements of regional programme interventions and national stand-alone projects as well as Montreal Protocol (MP) and Global Environment Facility (GEF) projects

With around 1.1 billion people, India is the second most populous country in the world. Although Brazil, Russia, India and China (BRIC) are the greatest economic powers among developing countries, India only ranks 134 out of182 in the Human Development Index (UNDP Human Development Report 2009) and about 300 million people are still estimated to live below the poverty line.

Snapshot of India	
Population	1.14 billion
Poverty *(% of population below national poverty line)*	29 %
Urban population	29 %
GDP	1,159 billion
Exports of goods and services/GDP	22.7 %
Average annual population growth (2002-2008)	1.4 %
Average annual labor force growth (2002-2008)	1.9 %
Source: World Bank – India at a glance	

Since the early 1990s the economy has been liberalized and economic growth in India has been relatively steady. However, India does not only have the diversity of a continent, but it is also a dichotomous economy. The service sector has been the main driver for economic growth and India is today in the forefront for sectors related to information technology, telecom and business outsourcing. On the other hand, the majority of the labour force (around 55-60 percent) is still employed in agriculture.

The industrial sector is relatively small and makes up only 20 percent of GDP but since 2003 industrial output has been growing rapidly. It is hoped that the industrial sector will continue to grow and be able to absorb a major share of the estimated 10 million people who enter the workforce every year.

The ongoing **Eleventh Five Year Plan** (2007-2012) is ambitious in that it aims at an average GDP growth rate of 9 percent per year. Rural development is targeted, through increases in agricultural productivity, improvement of the rural infrastructure and creation of market linkages. Small and Medium Enterprises (SMEs), seen as main drivers of the manufacturing sector are main beneficiaries of investment incentives and funding schemes.

The current **UNDAF** (2008-2012) aims at four development outcomes, out of which UNIDO takes part in Outcomes 1, 2 and 4:

- Outcome 1: By 2012, disparities reduced and opportunities enhanced for disadvantaged groups, especially women and girls, for the achievement of MDG related 11th Plan Goals, through strengthened policy framework and implementation capacity of large scale state and national programmes.
- Outcome 2: By 2012, accountable and responsive local government systems, in rural and urban areas, are in place in selected districts/cities (within priority states) which promote equitable and sustainable development to achieve MDGs/local development goals with special attention to the needs of disadvantaged groups, especially women and girls.
- Outcome 4: By 2012, the most vulnerable people, including women and girls, and government at all levels have enhanced abilities to prepare, respond, and adapt/recover from sudden and slow onset disasters and environmental changes.

UNIDO's history in India goes back to as early as 1968 when the first project (a design centre for electrical measuring instruments) started. Since then UNIDO has implemented almost 800 projects with a total allotment of more than USD 135 million. A large part of this portfolio has been funded by the Montreal Protocol (MP) and the Global Environmental Facility (GEF).

A Country Service Framework (**CSF**) with a planned duration of five years was approved in 2001 and covered the following areas:

- strengthening the competitiveness of SMEs through technology-led innovations
- promoting foreign direct investment
- promoting cleaner and environmentally friendly technologies and policies; and
- alleviating poverty and promoting industrial growth in less developed areas.

In November 2006, as the CSF was drawing to a close an independent evaluation was conducted by the UNIDO Evaluation Group. The evaluation found that initiatives were scattered and fragmented and integration and cohesion limited and recommended the implementation of a smaller number of larger projects with concentration on south-south cooperation, technology and clusters.

UNIDO's **Regional Office** (RO) in New Delhi covers India, Bangladesh, Sri Lanka, Nepal, Bhutan, Maldives and Afghanistan. It currently employs four regular professional staff members (P-staff), two Junior Professional Officers and three administrative staff. The RO India has been a pioneer in introducing new modes of field operations (employment of a communications officer, management of imprest accounts, etc) and has experimented with different ways of "doing business" in the field. The current Director of the Regional Office was assigned during the second quarter of 2010. To the UNIDO network in India also belong the following entities/projects

- the National Cleaner Production Centre (NCPC) established in 1995,
- the Regional Centre for Small Hydro Power in Trivandrum,
- the International Centre for Advancement of Manufacturing Technology (ICAMT) which was evaluated in 2006,
- the Centre for South-South Industrial Cooperation (UCSSIC) and
- the Subcontracting & Partnership Exchanges (SPX), (launched in June 2007 in the frame of the "*Consolidated Project for SME Development in India*").

II. The UNIDO Country Programme (2008-2012)

The basis for the present UNIDO Country Programme 2008-2012 was a five-year country strategy synchronized to the 11th Five-Year Plan as well as to the UNDAF. The **Country Programme** "to facilitate the diffusion of best practices in manufacturing, both in India and other developing countries" was launched in 2008.
It has a current planning figure of USD 45,388,245 and is structured around the following components:

- **Component 1**: To raise the competitiveness of industrial enterprises through the introduction of **environment-friendly technologies**
- **Component 2**:To raise the competitiveness of small and medium enterprises in relatively backward regions through innovative **cluster-based approaches**
- **Component 3**: To facilitate the participation of developing countries in the global economy through **south-south cooperation**
- **Component 99**: General **management**

The Country Programme serves as an overall framework and covers almost all of UNIDO's activities in India. It includes activities funded by three bilateral donors: India, Switzerland and Italy. It covers:

- Individual projects
- MP funded projects
- GEF funded projects
- Regional programmes
- Global Forum activities.

It also includes the following two UNIDO Technology Centres, which are located in India but have an international outlook:

- ICAMT
- UCSSIC

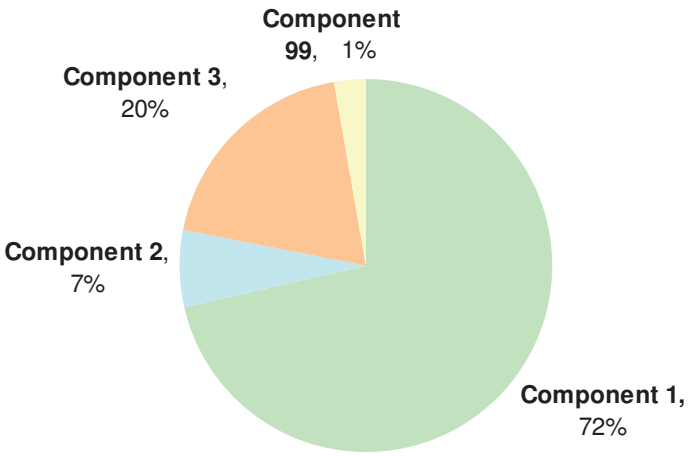
An overview of the three components and allocated budgetary resources is provided in Table 1 below while a detailed list of the individual projects included is provided in Annex E *List of UNIDO projects in India*.

Table 1: India Country Programme –
Current planning figure (excl. project support costs) as of March 2010

	Description	Current planning figure in USD	Total allotment in USD	Total expenditure in USD
1	Competitiveness of industrial enterprises through the introduction of environment-friendly technologies	30,240,235	23,183,981	6,261,932
2	Competitiveness of small and medium enterprises in relatively backward regions through innovative cluster-based approaches	7,419,325	3,420,740	2,573,367
3	Participation of developing countries in the global economy through south-south cooperation	6,877,207	2,930,277	1,372,379
99	General management	851,478	687,234	487,156
	TOTAL	**45,388,245**	**30,222,232**	**10,694,834**
Source: UNIDO CP Progress Report March 2010				

As can be seen from the figure below, the, by far, largest component is the environmental component, accounting for more than two thirds of the total Country Programme allotment. This is partly due to large-scale MP and GEF projects; "*Environmentally Sound Management & Final Disposal of PCBs in India*" (GF/IND/10/001) was included in 2010 in the CP and has an allotment of more than USD 14 million.

Figure 1: CP Allotments (in USD) per components



Source: Agresso (July 2010)

III. RATIONALE AND PURPOSE

The country evaluation is being undertaken at a time when the UNIDO Country Programme is halfway through, thus at the stage when a mid term evaluation is mandatory according to UNIDO Technical Cooperation Guidelines. The RO India is considered a very dynamic and innovative field office and has experienced new ways of doing business. Therefore this evaluation has a particular learning potential for the rest of the Organization.

As mentioned, above, the evaluation had also been requested by the RSF and included in the ODG/EVA Work Programme for 2010. The evaluation will be a forward-looking exercise and seeks to identify best practices and areas for improvement in order to draw lessons to enhance the performance of UNIDO's programme in India.

The country evaluation will attempt to determine as systematically and objectively as possible the relevance, efficiency, effectiveness (achievement of outputs and outcomes), impact and sustainability of the interventions under evaluation. The evaluation will assess the achievements of the interventions against their key objectives, including re-examination of the relevance of the objectives and the appropriateness of the design. It will identify factors that have facilitated or impeded the achievement of the objectives

In summary, the main purposes are the following:

- To assess the progress of TC interventions towards the expected outcomes outlined in UNIDO project and programme documents
- To assess contributions to the achievement of national development objectives
- To assess the relevance of UNIDO's interventions in relation to national needs and national and international development priorities
- To assess the performance of the RO India in carrying out its functions and in relation to the delivery of the RBM-based work plan
- To assess the specific *modus operandi* and innovative approach of the RO India with regard to its potential for wider applicability for UNIDO's field offices.
- To generate key findings, draw lessons and provide a set of clear and forward-looking recommendations
- To serve as an input to the following **thematic evaluations** which will be conducted by ODG/EVA during 2010/11 :
  - UNIDO's contribution to the MDGs
  - Field office performance
  - UNIDO POPs projects
  - Upgrading

IV. SCOPE AND FOCUS

The evaluation will cover the full range of UNIDO's support to India, including the performance of UNIDO centres hosted in India and results of global forum functions. It should go beyond a mere documentation of results by trying to assess why projects/programmes have succeeded or failed. The evaluation will consider major projects within the Country Programme, as well as other UNIDO projects implemented in India since 2007 when the last country-level evaluation was carried out (CSF evaluation 2007). Moreover, it will assess the performance of UNIDO's Regional Office with regards to its contribution to developing results and through performing convening, normative and technical cooperation functions.

Concerning the Country Programme, the achievement of outcomes as defined in the programme document will be assessed. The programme will thus be reviewed as a whole, particularly in terms of design, relevance, the exploitation of synergies and coordination within UNIDO.

The evaluation will not consider all the individual projects that fall under the period covered of the evaluation but only projects of a certain size or considered strategically important in relation to the purpose of the evaluation. The evaluation will however assess a portfolio that is representative of UNIDO's activities in India since the last CSF evaluation in 2007 and big enough to enable the evaluation team to answer the questions identified in the ToR. The reasons for selection or exclusion of certain interventions will be explained in the inception report. For that purpose basic evaluability assessments will be carried out if necessary.

The evaluation should consider the following UNIDO thematic evaluations that covered projects in India:

- Thematic evaluation of the International Technology Centres (2010)
- Thematic Review of UNIDO's Agri-business/Agro-industry Development Interventions (2010)
- Independent Thematic Evaluation of the UNIDO Cluster and Networking Development Initiatives (2009)

Also, the following individual project evaluations should be used as inputs to the country evaluation:

- Coal Bed Methane Recovery and Commercial Utilization (GN/IND/98/G34): Mid-term evaluation report (2004) and Terminal evaluation report (2009) (both under responsibility of UNDP)
- Operational Phase of the ICAMT (SF/GLO/02/004) – Independent Evaluation (2006)
- Independent In-Depth Mid-Term Review: UNIDO-ICHET (2010)
- Cleaner Technology Promotion in India (US/IND/02/001): Mid-Term Review (2004) and Independent Evaluation and Strategic Review of the UNIDO/UNDP Cleaner Production Programme and Related Initiatives: Country Review India (2007)

In particular, the country evaluation should assess whether recommendations have been adhered to.

The exact scope of the country evaluation will be decided during the inception period, in consultation with ODG/EVA.

V. EVALUATION ISSUES

A. General evaluation criteria and cross-cutting issues

In general, the country evaluation should consider the DAC Criteria (relevance, efficiency, effectiveness, sustainability, impact). In addition, specific evaluation criteria and cross-cutting issues will be mainstreamed in the evaluation of the Country Programme, individual projects, and the field office performance. These are:

- Contribution to gender equality
- Contribution to environmental sustainability
- Fostering of South-South cooperation

B. Issues concerning UNIDO's Country Programme (2008-2012)

It is important to note that the assessment of UNIDO's country programme is not a mere compilation of individual project evaluations but will consider synergies and complementarities between projects. It will include an assessment of the design and implementation of the programme with regards to:

- strategic objective,
- geographic priority,
- subsector focus,
- collaboration with and role of counterpart institutions and
- programme management and coordination.

Identified evaluation issues in relation to the different OECD/DAC criteria are provided below;

Relevance

The degree to which the design and objectives of UNIDO's country programme is consistent with the needs of the country and with development plans and priorities as well as with UNIDO´s strategic priorities.

The extent to which the country programme was relevant to:

- the development challenges facing the country;
- national and international development priorities;
- UNIDO's strategic priorities (Programme and Budget, Medium Term Strategic Framework, etc.);
- the target group and UNIDO's counterparts.

Efficiency

Efficiency measures the outputs -- qualitative and quantitative -- in relation to the inputs.

The extent to which:

- the quality of UNIDO services (expertise, training, equipment, methodologies, etc) was as planned and led to the production of outputs; and
- the resources and inputs were converted to results in a timely and cost-effective manner
- the use of national versus international consultants is appropriate and needs-based.
- coordination amongst and within components of the programme lead to synergy effects (benefits and drawbacks) and/or to the production of outputs
- the same results could have been achieved in another, more cost-effective manner

Effectiveness

The extent to which the programme achieved its objectives and major factors influencing the achievement or non-achievement of the objectives

The extent to which

- activities planned in the programme document were undertaken; and
- objectives established in the programme document were achieved.

Sustainability

Sustainability is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn. Projects need to be environmentally as well as financially sustainable.

The extent to which

- there is continued commitment and ownership by the government and other key stakeholders; and
- changes or benefits can be maintained in the long term.

Impact

Positive and negative changes produced by a development intervention, directly or indirectly, intended or unintended.

The extent to which the programme contributed
- to developmental results (economic, environmental, social); including
- to the achievement of the MDGs.

Country Programme management

The extent to which:
- efficient cooperation arrangements between the projects and with the Regional Office were established;
- UNIDO's Regional Office supported coordination, implementation and monitoring of the programme;
- UNIDO HQ based management; coordination and monitoring have been efficient and effective.

Partnership and coordination

UNIDO's contribution to coordinating external assistance and to building government and country ownership

The extent to which
- effective coordination arrangements with other development partners were established;
- UNIDO participated in the UNDAF and other UN coordination mechanisms; and
- The UNIDO CP adhered to the principles of the Paris Declaration on Aid Effectiveness (i.e., government ownership, alignment with government strategies, results orientation, program approaches, use of country systems, tracking results, and mutual accountability).

C. Evaluation of individual projects and regional project components

Project design

The extent to which
- a participatory project identification process was instrumental in selecting problem areas and counterparts requiring technical cooperation support;
- the project has a clear thematically focused development objective, the attainment of which can be determined by a set of verifiable indicators; and
- the project was formulated based on the logical framework approach.

Relevance

The extent to which
- the project/component was formulated with participation of the national counterpart and/or target beneficiaries, in particular the industrial stakeholders.
- the counterpart(s) has (have) been appropriately involved and was (were) participating in the identification of their critical problem areas and in the development of technical cooperation strategies, and were actively supporting the implementation of the component.
- the project/component is relevant to the higher-level programme-wide objective
- the project/component Is relevant to national and international strategic priorities (MDGs, etc.)
- the outputs as formulated in the project document are still necessary and sufficient to achieve the objectives.

Efficiency of implementation

The extent to which
- UNIDO and Government/counterpart inputs have been provided as planned and were adequate to meet requirements;

- the quality of UNIDO services (expertise, training, equipment, methodologies, etc) was as planned and led to the production of outputs; and
- the resources and inputs (national versus international experts) were converted to results in a timely and cost-effective manner.

Effectiveness of the project

The extent to which
- objectives established in the project document were achieved.

Sustainability

Assessment of the probability of continued long-term benefits

Impact

Assessment of the developmental changes (economic, environmental, social) which have occurred or are likely to occur

D. Assessment of the Regional Office in India

UNIDO's Regional Office will be assessed with regards to its contribution to UNIDO's convening, normative and technical cooperation functions.
The assessment is an organizational or functional assessment as opposed to a staff assessment focusing on individuals. It will not include all the activities for which the Regional Office is responsible, but cover only those pertaining to India.
It will not replace the audits performed by UNIDO's Office of Internal Oversight Services (IOS).

The performance of the Regional Office will be assessed in relation to three evaluation criteria:

- Relevance
- Effectiveness,
- Efficiency

The detailed approach that will be used can be found in Annex G.

E. Evaluation of Global Forum activities

Global forum (GF) activities are those which are initiated by UNIDO (or the United Nations system) to exchange and disseminate knowledge and information, as well as facilitate partnerships. They intend to produce an "output", without a pre-identified client, which increases understanding of sustainable industrial development issues. i. Global forum activities have informative, advocative and normative functions.

The assessment of global forum activities will include:

- UNIDO GF activities nurturing national knowledge and dialogue globally and with regard to industrial development and, at the same time,
- activities at the national level, including TC projects, contributing to UNIDO GF activities and products)

The selection of global forum activities to be assessed and the methodology to be used will be defined in the inception report. This should be done, considering the framework in Annex F.

However, the evaluation team should be aware of and possible include the following Global Forum activities that have been implemented in India since 2007:

- Workshop on production of user and environment-friendly pesticide formulations, quality assurance and instrumental methods of analysis - New Delhi, March 2009

- Expert group meeting on promoting renewable energy for industrial applications, New Delhi, January 2008.
- "International Forum Stona 2008 – Buyer Seller Meet and Technology Show", Bangalore, February 2008.
- Global Agro-Industries Forum "Improving Competitiveness and Development Impact" – New Delhi, April 2008 (XPGLO07018)
- UNIDO- AAITPC Investment seminar, New Delhi, July 2007
- Workshop on toxicity and testing of toys, New Delhi, September 2007
- International seminar on small hydro power, Trivandrum, December 2007
- International workshop on innovations in cost effective construction technologies, Patna, December 2007

VI. EVALUATION APPROACH AND METHODOLOGY

This ToR provides some information as regards the methodology but this should not be regarded as exhaustive. It is rather meant to guide the evaluation team in elaborating an appropriate evaluation methodology that should be proposed, explained and justified in an inception report.

In terms of **data collection** the evaluation team should use a variety of methods ranging from desk review (project and programme documents, progress reports, mission reports, Agresso search, evaluation reports, etc) to individual interviews, focused group discussions, statistical analysis, surveys and direct observation at project sites.

The evaluation team should ensure that the findings are **evidence based**. This implies that all perceptions, hypotheses and assertions obtained in interviews will be validated through secondary filtering and cross checks by a **triangulation** of sources, methods, data, and theories.

While maintaining independence, the evaluation will be carried out based on a **participatory approach**, which seeks the views and assessments of all stakeholders. These include government counterparts, private sector representatives, other UN organizations, multilateral organizations, donors, beneficiaries as well as UNIDO- and project staff.

Depending on formal requirements, the complexity and the strategic importance of each project/activity, different approaches can be used for the assessments:

a) Fully fledged independent evaluations:

For projects/programmes that are due for a mandatory evaluation[33] within the same timeframe as the country evaluation and for other projects that are considered important (explanation in the inception report) a fully fledged independent evaluation, with separate ToR, will be carried out. The evaluation will be carried out by the country evaluation team and be part of the country evaluation report. The methodologies applied will be described in the corresponding evaluation ToR.

The following table provides an overview of major individual projects which have mandatory evaluations according to UNIDO regulations or their project documents:

[33] For which an evaluation is mandatory according to UNIDO and/or donor requirements, or in accordance with the evaluation provisions in the project document.

Table 2: Individual project evaluations

Number	Project Name	Manager	Allot. (USD)	Exp.	Notes	Funds?
GN/IND/98/G34 SFI/ND/02/004 DG/IND/04/952	Coal Bed Methane Recovery and Commercial Utilization	KHAN	8.128.197 3,590,773 1,024.441,53	8.128.197 3,590,773 1,024.441,53	Implemented together with UNDP, the evaluation will take the evaluation of the UNDP implemented GEF funded project (GNIND98G3) into account and will be carried out as part of the Country Evaluation, aiming at identifying complementary and more UNIDO-specific findings	no project funds for evaluation foreseen (only funds for equipment); Donors: UNDP[34] India UNDP
GF/IND/07/004	Development of a NIP in India as a First Step to Implement the Stockholm Convention on POPs	CENTENO	3,074,700	2,547,902	Evaluation planned first quarter 2011 Will also be part of the thematic evaluation on POPs projects	project funds (30 000) for evaluation available
TE/IND/04/001 and others	Consolidated Project for SME	KULUR and others	3,462, 763	3,073,194	Joint UNIDO/Italy/India Evaluation planned for mid 2011	
TF/IND/03/002 and others	Project to Support Implementation of Government of Orissa's Industrial Policy Resolution - 2001 (Investment Promotion Component)	KULUR and others	1,841,475	1,841,256 completed	There will be a final tripartite review upon completion (DFID, UNIDO and UNDP) in the end of 2010 according to the PD	no project funds left
SF/GLO/08/009 and others	Operational Phase of the ICAMT	Mishra	1,130,974	558,287	Evaluated in 2007, part of thematic evaluation in 2010 Mid term project performance review will be done under the scope of the country evaluation, final project performance evaluation at the end of 5 years according to PD	not needed, mid-term review will be done within country evaluation

[34] It should be noted that GN/IND/98/G34 was originally GEF funded. However, the funds have been transferred by UNDP and therefore, for UNIDO, the donor is considered as UNDP. Besides, DG/IND/97/952 (considered together with DG/IND/04/952 – the previous number for the same project) totals 1,024.441,53 is a UNDDP funded project under the so-called national execution modality in UNDP, as is GN/IND/98/G34.

Number	Project Name	Manager	Allot. (USD)	Exp.	Notes	Funds?
US/IND/02/001	Cleaner Technology Promotion in India	Alhilali	1,450,463	1,274,570	Covered by: Mid-Term Review (2004) Independent Evaluation and Strategic Review of the UNIDO/UNDP Cleaner Production Programme and Related Initiatives: Country Review India(2007)	not needed, evaluation has been done

Source: Infobase, Agresso (July 2010) and respective project documents.

b) Project assessment:

For major projects that do not formally require a fully fledged evaluation or that are not yet due for evaluation, but for which a comprehensive assessment is regarded important.

The following larger scale projects (> USD 500,000) might be considered:

Table 3: Projects proposed for project assessment

Number	Project Name	Notes
SF/IND/04/002	Support small and medium sized manufacturers in the automotive component industry in India - UNIDO Business Partnership Programme (Phase II)	operationally completed since March 2010 USD 700,000 – total allotment
US/IND/05/001 TF/IND/07/001	National Programme to Support Energy Efficiency and Quality Standards in Ceramics SMEs	USD 539,000 – total allotment
SF/IND/08/004 and others	Promoting Livelihoods in North Eastern India - The Cane and Bamboo Networking Project	USD 538,000 – total allotment

Source: Agresso July 2010.

The following methodological components will be applied: an assessment of the project documentation including an assessment of project design and intervention logic; a validation of available progress information through interviews with key stakeholders and beneficiaries; a context analysis of the project to validate implicit and explicit project assumptions and risks, including interviews with government agencies and donors regarding the developments and tendencies in the project-specific environment.

c) Reviews:

For projects that are likely to start soon, that have started very recently or that are considered important for other reasons a review will be carried out. The following methodology will be applied: a review of the available documentation; a validation of the foreseen intervention logic/design with a special focus on the relevance to national priorities and to the country programme or UNIDO´s strategic priorities and to delivering as One UNIDO.

The following projects may be considered for a project review:

Table 4: Projects proposed for project review

Number	Project Name	Notes
GF/IND/10/001	Environmentally Sound Management & Final Disposal of PCBs in India	largest project in India (USD 14 million), started in 2009
US/IND/09/008	Voluntary initiative to promote greenhouse gas accounting and low-carbon production in sectors of Indian industry	started in March 2010
US/RAF/09/019	Development and application of a new technical assistance product One village-industrial clusters as a vehicle for economic growth and poverty reductions	started in March 2010
US/GLO/10/007	UNIDO-VIMTA South-South Training Facility for	started in March 2010

Number	Project Name	Notes
	Testing Laboratories	
XX/IND/09/X06	Integrated Cluster Development Programme 2009-2014: Leather technology, productivity and design	Pipeline project (project approved)
XX/IND/09/X07	Technology upgrading and productivity enhancement of foundry industry at Coimbatore and Belgaum	Pipeline project (project approved)
XX/IND/09/X05	Integrated Cluster Development Programme 2009-2014: Total quality management and cluster development at three auto-clusters	Pipeline project (project approved)
XX/IND/09/X04	Integrated Cluster Development Programme 2009-2014: Resource efficient and cleaner production (RECP)	Pipeline project (project approved)
XX/IND/09/X01	Integrated Cluster Development Programme 2009-2014: coordination facility	Pipeline project (project approved)
XX/IND/08/X10	Promoting energy efficiency and renewable energy in selected MSME clusters in India	Pipeline project (project approved)
XX/IND/08/X05	E-waste management in India	Pipeline project (project doc under preparation)
XX/IND/07/X02	Industrial applications of renewable energy technologies in selected SME clusters in India	Pipeline project (project approved)
SF/IND/09/013, US/IND/09/012	National programme for developing plastics manufacturing industry in India	Both projects were approved in October 2010
XX/IND/08/X07	Energy efficiency in foundries in Jalandhar	Pipeline project (under examination/screening)
XX/IND/08/X08	Environmentally sound management of medical wastes in India	Pipeline project (PIF cleared for further development/submission to GEF)
XX/IND/10/X01	Supporting small and medium-sized manufacturers in the automotive component industry in India. Deepening and widening the services provided within the framework of the UNIDO-ACMA MOHI Partnership Programme – Phase I	Pipeline project (project approved by AMC)
Source: UNIDO Agresso July 2010.		

d) Projects related to Thematic Evaluations:

Several projects included in Tables 2, 3 and 4 are related to earlier or ongoing Thematic Evaluations:

Table 5: Projects related to Thematic Evaluations

			Clusters	SMTQ	Tech. Centres	Upgrading
1	TE/IND/04/001 and others	Consolidated Project for SMES				X
2	SF/GLO/08/009 and others	Operational Phase of the ICAMT			X	X
3	SF/IND/04/002	Support small and medium sized manufacturers in the automotive component industry in India - UNIDO Business Partnership Programme (Phase II)				X

			Clusters	SMTQ	Tech. Centres	Upgrading
4	US/GLO/10/007	UNIDO-VIMTA South-South Training Facility for Testing Laboratories		X		
5	XX/IND/09/X04	Integrated Cluster Development Programme 2009-2014: Resource efficient and cleaner production (RECP)	X			X
6	XX/IND/09/X01	Integrated Cluster Development Programme 2009-2014: coordination facility	X			X

The evaluations, reviews or assessments of the projects in Table 5 should take into account, as appropriate, the recommendations made under the existing Thematic Evaluations and/or the TORs of forthcoming Thematic Evaluation.

VII. TIME SCHEDULE AND DELIVERABLES

The country evaluation is scheduled to take place between September and December 2010. A two-week field mission evaluation is envisaged for November.

Activity	Estimated month
Collection of documentation by ODG/EVA	October 2010
Desk review by members of evaluation team	November 2010
Initial interviews at HQ and development of evaluation methodology and time plan	November 2010
Inception report	November 2010
Field work in India (2 weeks)	November 2010
Presentation of preliminary findings to the FO and to he Government	November 2010
Presentation of preliminary findings at HQ	December 2010
Drafting of report	December 2010
Collection and incorporation of comments into report	January 2011
Preparation of evaluation brief by evaluation team	January 2011
Issuance of final report and evaluation brief	February 2011

VIII. EVALUATION TEAM COMPOSITION

The evaluation team will include:

1) one International Evaluation Consultant with extensive experience in and knowledge of evaluation and private sector development;
2) one International Evaluation Consultant with extensive experience in evaluating environmental projects;
3) one junior International Evaluation Consultant to assist in data collection and analysis
4) two National Evaluation Consultants familiar with evaluation techniques and pertinent sectors and issues
5) one ODG/EVA staff member who will also act as evaluation manager and be responsible for the FO component and the review of global forum functions

The international and national consultants will be contracted by UNIDO. The tasks of the consultants are specified in their respective job descriptions, attached to this ToR as Annex A.

All members of the evaluation team must not have been involved in the design and/or implementation, supervision and coordination of any intervention to be assessed by the evaluation and/or have benefited from the programmes/projects under evaluation.

A member of UNIDO's Evaluation Group will manage the evaluation and act as a focal point for the evaluation consultants. Additionally, the Regional Office in India will support the evaluation team and assist in planning and coordinating the evaluation mission.

A proactive involvement of the national counterpart could be envisaged through a secondment of its own evaluators as members of the evaluation team. The national counterpart should be informed that such a joint evaluation is a possibility. The necessary funding should be set aside by the national counterpart in advance and outside the UNIDO evaluation budget.

IX. EVALUATION PROCESS AND REPORTING

The evaluation team will use a participatory approach and involve various stakeholders in the evaluation process. The responsibilities for the various evaluation stages are outlined below:

	ODG/EVA Evaluation Group	PTC	RSF/ Regional Office	Government of India	Evaluation team
Selection of consultants	□			□	
Self-assessment by project managers		□	□		
Review of background documentation					□
Interviews at UNIDO HQ		□	□		□
Inception report					□
Comments on inception report	□				
Evaluation mission			□	□	□
Presentation of preliminary findings in the field					□
Presentation of preliminary findings at HQ					□
Drafting of evaluation report					□
Comments on draft report	□	□	□	□	
Final evaluation report					□
Evaluation brief					□

The evaluation team will report to the Evaluation Manager. Evaluation deliverables such as the Inception Report, the Evaluation Report and the Evaluation Brief will be approved by the Evaluation Manager.

The evaluation team will present its preliminary findings to the Government, to Regional Office staff, to programme and project staff and staff at UNIDO Headquarters. A draft evaluation report will be circulated for comments and factual validation. The reporting language will be English.

The ToR and the draft report will be shared with the national counterparts, the main donors and relevant UNIDO staff members for comments and factual validation. This consultation also seeks agreement on the findings and recommendations. The evaluators will take comments into consideration when preparing the final version of the report. The final evaluation report will serve as a basis for the preparation by the evaluation team of the evaluation brief, which is to be submitted together with the final evaluation report to ODG/EVA for final review and approval.

The final evaluation report will be submitted 6-8 weeks after the field mission, at the latest, to the Government of India, the donors and to UNIDO.

X. DELIVERABLES

- Inception report
- Draft report
- Final report
- Evaluation brief

XI. QUALITY ASSURANCE

All UNIDO evaluations are subject to quality assessments by the UNIDO Evaluation Group. Quality control is exercised in different ways throughout the evaluation process (briefing of consultants on EVA methodology and process, review of inception report and evaluation report). The quality of the evaluation report will be assessed and rated against the criteria set forth in the Checklist on evaluation report quality in Annex B.
The applied evaluation quality assessment criteria are used as a tool to provide structured feedback.

XII. ANNEXES

A. Job descriptions for team members (to follow)
B. Checklist on evaluation report quality
C. Tentative evaluation report outline
D. Reference documents
E. List of UNIDO projects in India
F. Framework for assessment of global forum activities
G. UNIDO Field Office Performance: Generic Assessment Framework
H. Map with project locations (to follow)

ANNEX A: Job Descriptions

INDEPENDENT COUNTRY EVALUATION IN THE REPUBLIC OF INDIA

JOB DESCRIPTION

Post title: International Evaluation Consultant – Private Sector Development

Post number: XPIND10003-8211-2010

Duration of contract: 30 days spread over a period

Entry on duty date: 5 November 2010 to 31 December 2010

Duty station: Republic of India, Vienna HQ and home based

Duties:
The international consultant will carry out the evaluation of UNIDO's private sector development and agro-industry interventions in India according to the Terms of Reference for the India Country Evaluation. She/he will be a member of the evaluation team which will include a member of the UNIDO Evaluation Group (EVA), a second international evaluation consultant (responsible for environmental projects) and a national consultant.

The international evaluation consultant will perform the following tasks:

Duties	Duration	Location	Results
Preparatory phase ○ Study programme and project documentation (including project and progress and evaluation reports) ○ Study relevant country-level background information (national policies and strategies, UN strategies and general economic data etc.) ○	5 days	Home base and	Analytical overview of available documents and of UNIDO activities in India Interview guidelines for HQ interviews
○ Briefing with Evaluation Group at HQ ○ Briefing of and interviews with project managers and other key stakeholders at HQ	3 days (including travel)	Vienna, UNIDO HQ	Key issues of evaluation identified; Scope of evaluation clarified;
○ Develop methodology and interview guidelines for the field mission ○ Prepare inception report			**Inception report**, including the proposed methodology, approach, interview guidelines and evaluation programme
Field mission in India ○ Carry out meetings, interviews with UNIDO staff and consultants and national stakeholders (including direct beneficiaries) according to the evaluation programme ○ Drafting preliminary findings, conclusions and recommendations, and present them to stakeholders ○ Development of the report outline/structure	14 days (including travel)	New Delhi, with in-country travel in India	Information gathered on issues specified in ToR Draft findings, conclusions and recommendations Draft report outline with assigned responsibilities

Debriefing at HQ o Present preliminary findings, conclusions and recommendations to staff at headquarters and to the India Permanent Mission	2 days (including travel)	Vienna, UNIDO HQ	Feedback on preliminary findings
Drafting of evaluation report o Prepare the evaluation report in close consultation/cooperation with the UNIDO Evaluation Group; supervise production of relevant chapters of the report by the other team members o Integrate comments from UNIDO Evaluation Group and stakeholders and edit the language and form of the final version according to UNIDO standards o Prepare evaluation brief	6 days	Home base	**Draft report** Feedback on draft report **Final report** **Evaluation brief**
Total	**30 days**		

Qualifications

- advanced university degree in business, economics, development studies or other relevant fields;
- extensive knowledge and experience in the field private sector development and specifically SME development, agro-industry and cluster development;
- extensive experience in evaluation of technical cooperation programmes and projects;
- knowledge of UNIDO activities an asset;
- working experience in India an asset.

Language: English

Background information: Terms of Reference

Impartiality: According to UNIDO rules, the consultant must not have been involved in the preparation, implementation or supervision of any of the programmes/projects under evaluation.

INDEPENDENT COUNTRY EVALUATION IN THE REPUBLIC OF INDIA

JOB DESCRIPTION

Post title:	International Evaluation Consultant – Environment
Post number:	XPIND10003-8211-2010
Duration of contract:	30 days spread over a period
Entry on duty date:	5 November 2010 to 31 December 2010
Duty station:	Republic of India, Vienna HQ and home based

Duties:
The international consultant will carry out the evaluation of UNIDO's environmental interventions in India according to the Terms of Reference for the India Country Evaluation. She/he will be a member of the evaluation team which will include a member of the UNIDO Evaluation Group (EVA), a second international evaluation consultant (responsible for the private sector development part) and a national consultant.

The international evaluation consultant will perform the following tasks:

Duties	Duration	Location	Results
Preparatory phase o Study programme and project documentation (including project and progress and evaluation reports) o Study relevant country-level background information (national policies and strategies, UN strategies and general economic data etc.)	5 days	Home base	Analytical overview of available documents and of UNIDO activities in India Interview guidelines for HQ interviews
o Briefing with Evaluation Group at HQ o Briefing of and interviews with project managers and other key stakeholders at HQ	2 days	Vienna, UNIDO HQ	Key issues of evaluation identified; Scope of evaluation clarified;
o Develop methodology and interview guidelines for the field mission o Prepare inception report			**Inception report**, including the proposed methodology, approach, interview guidelines and evaluation programme

Field mission in India o Carry out meetings, interviews with UNIDO staff and consultants and national stakeholders (including direct beneficiaries) according to the evaluation programme o Drafting preliminary findings, conclusions and recommendations, and present them to stakeholders o Development of the report outline/structure	14 days (including travel)	New Delhi, with in-country travels in India	Information gathered on issues specified in ToR Draft findings, conclusions and recommendations Draft report outline with assigned responsibilities
Debriefing at HQ o Present preliminary findings, conclusions and recommendations to staff at headquarters and to the India Permanent Mission	1 day	Vienna, UNIDO HQ	Feedback on preliminary findings
Drafting of evaluation report o Prepare the evaluation report in close consultation/cooperation with the UNIDO Evaluation Group; supervise production of relevant chapters of the report by the other team members o Integrate comments from UNIDO Evaluation Group and stakeholders and edit the language and form of the final version according to UNIDO standards o Prepare evaluation brief	8 days	Home base	**Draft report** Feedback on draft report **Final report** **Evaluation brief**
Total	**30 days**		

Qualifications

- advanced university degree in environmental science, environmental technology, environmental engineering or other relevant fields;
- extensive knowledge and experience in the field of POPs projects and other environmental projects (waste management, cleaner production, energy efficiency),
- knowledge in the field of Montreal Protocol and Global Environmental Facility projects;
- extensive experience in evaluation of technical cooperation programmes and projects;
- knowledge of UNIDO activities an asset;
- working experience in India an asset.

Language: English

Background information: see the Terms of Reference attached

Impartiality: According to UNIDO rules, the consultant must not have been involved in the preparation, implementation or supervision of any of the programmes/projects under evaluation.

INDEPENDENT COUNTRY EVALUATION IN REPUBLIC OF INDIA

JOB DESCRIPTION

Post title	National Consultant – Private Sector Development (PSD) and Production Activities
Duration	20 work days, spreading over 2 months
Started date	8 November 2010
Duty station	Home based, New Delhi and various locations in India

Duties

As a member of the evaluation team and under the supervision of the evaluation team leader, the consultant will participate in the independent country evaluation in India according to the Terms of Reference attached. In particular, he/she will be expected to:

Main duties	Duration/ location	Deliverables
Review relevant programme and project documentation including progress reports and documentary outputs related to PSD and other issues as outlined in the evaluation TOR; Review relevant background information (national policies, international frameworks, etc) related to PSD and other issues covered by the evaluation Assist in the preparation of the inception report Support the UNIDO India Regional Office in planning the evaluation field mission and organizing meetings related to PSD and other issues	5 days Home base	Analytical overview of available documents; list of issues to be clarified; background data needed for evaluation collected at field level; inputs to inception report, evaluation mission programme related to PSD and other issues covered by the evaluation
Participate actively in meetings, visits and interviews according to the evaluation programme related to PSD and other issues Participate in drafting the main conclusions and recommendations, and present them to stakeholders in accordance with the instructions of the team leader	10 days Various locations in India (including travel days)	Notes, tables; information gathered on issues specified in TOR Draft conclusions and recommendations to stakeholders
Participate in the preparation and revision of the report according to the instructions of the team leader	5 days Home base	Inputs to the report
TOTAL	**20 days**	

Qualifications:

- ✓ Advanced degree in business, economics, development studies or related areas
- ✓ ***Knowledge of and experience in private sector development***
- ✓ Experience in evaluation of PSD projects
- ✓ Knowledge of UNIDO technical cooperation activities an asset.

Language: English and Hindi (written and oral)

Absence of Conflict of Interest:

According to UNIDO rules, the consultant must not have been involved in the design and/or implementation, supervision and coordination of and/or have benefited from the programme/project (or theme) under evaluation. The consultant will be requested to sign a declaration that none of the above situations exists and that the consultants will not seek assignments with the manager/s in charge of the projects and programmes before the completion of her/his contract with the Evaluation Group.

INDEPENDENT COUNTRY EVALUATION IN REPUBLIC OF INDIA

JOB DESCRIPTION

Post title	National Consultant – Environmental Science
Duration	20 work days, spreading over 2 months
Started date	8 November 2010
Duty station	Home based, New Delhi and various locations in India

Duties

As a member of the evaluation team and under the supervision of the evaluation team leader, the consultant will participate in the independent country evaluation in India according to the Terms of Reference attached. In particular, he/she will be expected to:

Main duties	Duration/ location	Deliverables
Review relevant programme and project documentation including progress reports and documentary outputs related to environmental issues as outlined in the evaluation TOR; Review relevant background information related to environmental issues (national policies, international frameworks, etc) Assist in the preparation of the inception report Support the UNIDO India Regional Office in planning the evaluation field mission and organizing meetings related to environmental issues for the evaluation team	5 days Home base	Analytical overview of available documents; list of issues to be clarified; background data needed for evaluation collected at field level; inputs to inception report, evaluation mission programme related to environmental issues
Participate actively in meetings, visits and interviews according to the evaluation programme related to environmental issues Participate in drafting the main conclusions and recommendations, and present them to stakeholders in accordance with the instructions of the team leader	10 days Various locations in India (including travel days)	Notes, tables; information gathered on issues specified in TOR Draft conclusions and recommendations to stakeholders
Participate in the preparation and revision of the report according to the instructions of the team leader	5 days Home base	Inputs to the report
TOTAL	**20 days**	

Qualifications:

- ✓ Advanced degree in environmental science, development studies or related areas
- ✓ ***Knowledge of and experience in Persistent Organic Pollutants (POPs), energy efficiency and renewable energy, cleaner production, environmental sound management, CTC/HCFC phase-out…***
- ✓ Experience in evaluation of environmental projects
- ✓ Knowledge of GEF, Montreal Protocol and UNIDO technical cooperation activities an asset.

Language: English and Hindi (written and oral)

Absence of Conflict of Interest:

According to UNIDO rules, the consultant must not have been involved in the design and/or implementation, supervision and coordination of and/or have benefited from the programme/project (or theme) under evaluation. The consultant will be requested to sign a declaration that none of the above situations exists and that the consultants will not seek assignments with the manager/s in charge of the projects and programmes before the completion of her/his contract with the Evaluation Group.

ANNEX B: Checklist on evaluation report quality

Report quality criteria	UNIDO Evaluation Group Assessment notes	Rating
a. Did the report present an assessment of relevant outcomes and achievement of programme objectives?		
b. Were the report consistent and the evidence complete and convincing?		
c. Did the report present a sound assessment of sustainability of outcomes or did it explain why this is not (yet) possible?		
d. Did the evidence presented support the lessons and recommendations?		
e. Did the report include the actual programme costs (total and per activity)?		
f. Quality of the lessons: Were lessons readily applicable in other contexts? Did they suggest prescriptive action?		
g. Quality of the recommendations: Did recommendations specify the actions necessary to correct existing conditions or improve operations ('who?' 'what?' 'where?' 'when?)'. Can they be implemented?		
h. Was the report well written? (Clear language and correct grammar)		
i. Were all evaluation aspects specified in the ToR adequately addressed?		
j. Was the report delivered in a timely manner?		

Rating system for quality of evaluation reports
A number rating 1-6 is used for each criterion: Highly Satisfactory = 6, Satisfactory = 5, Moderately Satisfactory = 4, Moderately Unsatisfactory = 3, Unsatisfactory = 2, Highly Unsatisfactory = 1, and unable to assess = 0.

ANNEX C: Tentative evaluation report outline

Acronyms and Abbreviations
Glossary of Terms
Executive Summary

MAIN REPORT:

I. BACKGROUND

1. **Background and introduction**
   - evaluation objectives
   - methodology
   - evaluation process
   - limitations of evaluation
2. **Country context**
   - historical context
   - brief overview of recent economic development
   - industrial situation and relevant sector specific information
   - development challenges facing the country
   - relevant Government policies, strategies and initiatives
   - initiatives of international cooperation partners
3. **Description of UNIDO activities in the country**
   - major TC components, main objectives and problems they address
   - brief overview of other important activities (Global Forum)

II. ASSESSMENT

4. **Performance of TC activities**
   - Private sector development
   - Trade capacity building
   - Energy and Environment

5. **Global Forum activities**

6. **Performance in cross-cutting issues**
   - gender
   - environment
   - South-South cooperation

III. MAIN CONCLUSIONS AND RECOMMENDATIONS

- Main conclusions from section II will be used as a basis for recommendations.

IV. LESSONS LEARNED

V. ANNEXES

- Annex A: Terms of Reference
- Annex B: List of persons met
- Annex C: Bibliography
- Annex D: Project Assessments and reviews
- Annex E: Country Map and project sites
- Annex F: Interview Guidelines

ANNEX D Reference documents (preliminary)

Background reading for relevance chapter

- **Vision 2010**
- **11th Five Year Plan (2007-2012)**
- **National Strategy for Manufacturing" (2006)**
- **UNDAF (2008-2012)**
- **Economist Intelligence Unit: Country Profile (2008)**

UNIDO project and programme documents

Relevant UNIDO evaluation reports

- Independent In-Depth Mid-Term Review: UNIDO-ICHET (2010)
- **Independent evaluation: UNIDO CSF in India (2007)**
- **Independent evaluation: International Centre for the Advancement of Manufacturing Technology (2006)**
- Thematic evaluation of the International Technology Centres (2010)
- Thematic Review of UNIDO's Agri-business/Agro-industry Development Interventions (2010)
- Independent Thematic Evaluation of the UNIDO Cluster and Networking Development Initiatives (2009)
- Mid-term evaluation report (2004) and Terminal evaluation report (2009) of "Coal Bed Methane Recovery and Commercial Utilization" project
- Mid-Term Review (2004) and Independent Evaluation and Strategic Review of the UNIDO/UNDP Cleaner Production Programme and Related Initiatives: Country Review India (2007) for "Cleaner Technology Promotion In India" project

Relevant other evaluation reports

Interesting Websites

Evaluation information

- **UNIDO Evaluation Policy (2006)**
- **DAC Evaluation Quality Standards (2006)**
- **DAC Glossary of Key Terms in Evaluation and Results Based Management (2002)**

ANNEX E: UNIDO CP projects in India

Country programme – individual projects:

(large projects are highlighted)

Number	Project Name	Status	Exp.compl.	Manager	Donor	Unit	Curr.	Allot.	Total Exp.	Comp.
GNIND98G34		C	12/28/2010		UNDP[35]			8,128,197	8,128,197	
SFIND02004	Coal bed methane recovery and commercial utilization	G	9/20/2007	KHAN	India/Oil and Natural Gas Corporation Ltd, Kolkata	PTC/ECC/IEE	USD	3,590,733	3,590,733	Comp. 1
DGIND04952		C	1/31/2010		UNDP			1,024,442	1,024,442	
GFIND07004	Development of a NIP in India as a first step to implement the Stockholm Convention on POPs	O	12/31/2010	CENTENO	GEF	PTC/EMB/SCU	USD	3,074,700	2,547,902	Comp. 1
GFIND08010	Environmentally Sound Management & Final Disposal of PCBs in India -Preparatory Phase	O	12/31/2010	EISA	GEF			350,000	323,210	Comp. 1
GFIND10001	Environmentally Sound Management & Final Disposal of PCBs in India	O	12/31/2014	CENTENO		PTC/EMB/SCU	USD	14,100,000	0	
GFIND09003	Promoting energy efficiency and renewable energy in selectes MSME clusters in India - GEF contribution for project preparation	O	12/31/2010	GIELEN	GEF	PTC/ECC/IEE	USD	100,000	99,817	Comp. 1
XPIND09004	co-funding GFIND09003	O	12/31/2010		Reg.Prog.		EUR	108,383	85,543	
GFIND09005	Environmentally Sound Management of medical wastes in India (Preparatory Phase)	O	6/30/2010	EISA	GEF	PTC/EMB/SCU	USD	250,000	248,374	Comp. 1
MPIND05007	CTC Phase-Out for the Consumption and Production Sectors - 2005 Annual Programme	O	12/31/2010	PRODAN	MP	PTC/MPB/RAU	USD	3,500,000	3,434,378	Comp. 1
MPIND06001	CTC Phase-Out for the Consumption and Production Sectors - 2006 Annual Plan	O	12/31/2010				USD	399,046	243,181	
MPIND08009	Preparation of HCFC phase-out Management	O	3/31/2010	PRODAN	MP	PTC/MPB/RAU	USD	70,000	69,796	Comp. 1
SFIND04002	Support small and medium sized manufacturers in the automotive component industry in India - UNIDO Business Partnerhsip Programme (Phase II)	C	12/31/2010	WEISERT	India	PTC/PSD/CBL	USD	700,000	698,597	Comp.1
TFIND03002	Project to Support Implementation of Government of Orissa's Industrial Policy Resolution - 2001 (Investment Promotion Component)	C	12/31/2009	KULUR	UK	PTC/BIT/ITU	USD	1,707,777	1,707,777	Comp. 1
TFIND03A02	Government of Orissa's Industrial Policy	G	1/23/2007	CLARA		PTC/PSD/CBL		39,614	39,614	
TFIND03B02	Resolution – 2001 (Investment Promotion	C	9/30/2010	ALHILALI		PTC/EMB/CPU		94,083	93,865	
USIND05001	National Programme to Support Energy Efficiency and Quality Standards in Ceramics SMEs	O	7/30/2010	GIELEN	India	PTC/ECC/IEE	USD	353,982	353,535	Comp. 1
TFIND07001		O	12/31/2010					185,556	185,536	
TFIND07005	Eco-City - Eco Business Partnership Programme in India	O	12/31/2010	MONGA	India	PTC/ECC/RRE	USD	221,195	42,213	Comp. 1
XPIND08001		O	12/31/2010		Reg.Prog.		EUR	103,005	91,216	

[35] It should be noted that GN/IND/98/G34 was originally GEF funded. However, the funds have been transferred by UNDP and therefore, for UNIDO, the donor is considered as UNDP. Besides, DG/IND/97/952 (considered together with DG/IND/04/952 – the previous number for the same project) totals 1,024.441,53 is a UNDDP funded project under the so-called national execution modality in UNDP, as is GN/IND/98/G34.

Number	Project Name	Status	Exp.compl.	Manager	Donor	Unit	Curr.	Allot.	Total Exp.	Comp.
USIND02001	Cleaner Technology Promotion In India	O	12/31/2010	ALHILALI	Switzerland / SECO	PTC/EMB/CPU	USD	1,450,463	1,274,571	Comp. 1
USIND04054	Renewable Energy based Economic Development	O	12/31/2010	SINGH	India	PTC/ECC/RRE	USD	130,644	130,642	Comp. 1
SFIND08004	Promoting Livelihoods in North Eastern India - The Cane and Bamboo Networking Project	O	5/31/2012		India		USD	132,460	9,880	Comp. 1
USIND08002		O	5/31/2012	LEVISSIANOS	India	PTC/AGR/AIT	USD	353,982	207,721	
XPIND09001		O	12/31/2010		Reg.Prog.		EUR	52,386	23,586	
USIND09008	Voluntary initiative to promote greenhouse gas accounting and low-carbon production in sectors of Indian industry	O	3/31/2012	ALHILALI	Switzerland / SECO	PTC/EMB/CPU	USD	194,668	1,353	Comp. 1
USIND09009	UNIDO Potential Investor Survey (India component)	O	12/31/2010	KULUR	Govt for India South-South Ind.Coop.	PTC/EMB/CPU	USD	31,000	24,798	Comp. 1
USIND05006	Business Partnership Programme for the Development of Selected Industrial Sectors in India	O	12/31/2010	MONGA	India	PTC/ECC/RRE	USD	82,735	82,804	Comp. 1
TEIND04001	Consolidated Project for SME	O	12/31/2010	SCHOLTES		RO India		423,429	418,314	Comp. 2
TEIND04A01		O	12/31/2010	CLARA		PTC/PSD/CBL		678,500	525,246	
TEIND04B01		O	12/31/2010	KULUR	Italy, Euro Account	PTC/BIT/ITU	EUR	1,171,431	1,106,083	
TEIND04C01		O	12/31/2010	KULUR		PTC/BIT/ITU		831,830	741,792	
TEIND04D01		O	12/31/2010	KRAL		PTC/AGR/AIT		357,573	281,758	
TFIND04048	MSME - Cluster Development Programme in Orissa	G	2/16/2010	CLARA	UK	PTC/PSD/CBL	USD	1,038,025	1,038,025	Comp. 2
SFIND08005	Nat'l Prog for Technology Upgradation of Brass and Bell Metal Industry in Khagra & other areas	O	10/31/2011	MISHRA	India	PTC/EMB/CPU	USD	88,496	15,360	Comp. 2
USIND08006		O	4/30/2011				USD	88,496	39,107	
XPIND09002	Integrated Cluster Development Programme -Prep Assistance (2009-2012)	O	12/31/2009	SCHOLTES	Reg.Prog.	RO India	EUR	10,560	10,555	Comp. 2
USIND09006	Technology upgrading	O	12/31/2010	MISHRA	India	PTC/EMB/CPU	USD	309,735	119,768	Comp 3
USIND08007	Support to the Operation of the UNIDO RO in India as a RBM framework	O	12/31/2011	SCHOLTES	India	RO India	USD	424,810	367,753	Comp. 99
TFIND07003	JPO Mr. Ricardo Mesiano	O	5/31/2010	CHUA	Italy	RSF/RFO/ASP	USD	284,755	269,068	Comp. 99
XPIND07002	Programme Support for CP - Missions	C	12/31/2010	SCHOLTES	Reg.Prog.	RO India	USD	7,556	7,788	Comp. 99

Component 1: To raise the competitiveness of industrial enterprises through the introduction of environment-friendly technologies
Component 2: To raise the competitiveness of small and medium enterprises in relatively backward regions through innovative cluster-based approaches
Component 3: To facilitate the participation of developing countries in the global economy through south-south cooperation
Component 4: Overall management

Country programme - regional and global projects:

REGIONAL										
USRAF09015	Renewable energy for productive uses	O	12/31/2010	THOMAS	Govt for India S	PTC/ECC/RRE	USD	300,000	21,814	Comp. 3
USRAF09019	Development and application of a new technical assistance product One village-industrial clustersas a vehicle for economic growth and poverty reductions	O	2/28/2012	CEGLIE	Govt for India South-South Industrial Cooperation	PTC/PSD/CBL	USD	250,000	53,987	Comp. 3
USRAF09029	Development of production capacity and promotion of neem derived from bio pesticides as a low cost and eco-friendly alternative to chemical pesticided in West Africa - Prep. Assistance	O	6/30/2010	EISA	Govt for India South-South Industrial Cooperation	PTC/EMB/SCU	USD	25,000	0	Comp. 3
TFRAS04A01		C	12/31/2010		RENPAP		USD	14,621	14,621	
TFRAS09004	Regional Network on Pesticides for Asia and	O	10/31/2011		Member		USD	151,746	37,504	
TFRAS09A04	Pacific (RENPAP)	O	12/31/2010	PENG	Countries	PTC/EMB/SCU	USD	103,560	2,975	Comp. 3
USRAS08004	India-China Cooperation of Environmentally Friendly Rural Cooking Stoves	C	12/31/2009	HAIDARA,Fatou	Govt for India South-South Industrial Cooperation	PTC/SPL	USD	8,995	8,995	Comp. 3
GLOBAL										
SFGLO02004		C	12/31/2008	KOZHARNOVICH				1,108,268	1,108,268	
SFGLO08009		O	4/30/2013	MISHRA				600,000	356,016	
USGLO08010	Operational Phase of the ICAMT	O	4/30/2013	MISHRA	India	PTC/BIT/ITU	USD	530,974	202,271	Comp. 3
USGLO06015	Establishment of UNIDO Centre for South-South Industrial Cooperation	O	7/31/2011	HAIDARA	Govt for India S	PTC/SPL	USD	1,203,539	1,070,886	Comp. 3
USGLO09015	From water mills to productive activities in remote areas: international water miller's conference, New Delhi, October 2009	O	12/31/2010	SINGH	India	PTC/ECC/RRE	USD	4,596	4,568	Global Forum
USGLO10007	UNIDO-VIMTA South-South Training Facility for Testing Laboratories	O	4/30/2012	PADICKAKUDI	Govt for India S	Quality, Standards	USD	241,593	19,185	Comp. 3
XPGLO06B27	Prog. Support for UNIDO	C	6/30/2010	SCHOLTES	Reg.Prog.	RO India	EUR	84,049	83,906	Comp. 99

Annex F: Framework for assessment of global forum activities

	GF contributions to national experience		National experience contributing to GF	
	Indicators	***Means of verification***	***Indicators***	***Means of verification***
Regional forums and conferences	• Confirmed learning effects of participants • GF contents (e.g. standards) included in national policies	• Interview participants of such conferences from the country (incl. IDB, GA, etc.) • National policy documents	• TC projects in country provided evidence for papers presented	
Working/expert groups	• Confirmed learning effects of participants • Expert group outputs used for national policies/programmes, including TC projects[36]	• Interviews of experts	• Experts from country participate • TC projects in country provided evidence for work groups	
Active participation in United Nations activities	Not so relevant for country level effects; difficult to link with country concerns (would need a list of major events to be used as checklist)		• Importance of country case studies used at such meetings	Rather difficult to trace, but if a significant contribution is claimed by UNIDO or country: • Random interviews of selected participants to rate importance
Presentations at external meetings	Not so relevant for country level effects; difficult to link with country concerns (would need a list of major events to be used as checklist)		• Importance of country case studies used at such meetings	Rather difficult to trace, but if a significant contribution is claimed by UNIDO or country: Random interviews of selected participants to rate importance
Publications	• Demand for publications in country • Use of publications by local counterparts (e.g.	• UNIDO data on publication sales to the country (compared to average) • Interviews with project partners	• National cases are referred to in ADR and other flagship publications	• ADR references to country

[36] An example for this is the expert groups arranged in the POPs field for non-combustion technologies, which later were used in several TC projects.

	GF contributions to national experience		National experience contributing to GF	
	Indicators	***Means of verification***	***Indicators***	***Means of verification***
	manuals, tool boxes)	and other relevant institutions		
Statistics and data collection	• Use of UNIDO statistics for national policy making	• Interviews with ministry of industry and similar institutions	Not relevant	
Conventions, norms and standards	• Norms and standards promoted by UNIDO are used in TC projects (e.g. COMFAR for feasibility studies; CP methods, PSD tool box; (this might require a list of such norms and standards that need to be checked)	• Review of TC projects • Interviews with project partners	• UNIDO facilitates participation of country institutions in international standard setting (e.g. in MEA like Stockholm convention[37])	• Interviews with project managers and counterpart staff
Partnerships and networks including research agreements	Does not seem to be relevant		Does not seem to be relevant	

[37] The Stockholm convention has several technical committees. E.g. one of them decides on standard "emission factors" that are permissible under the convention for different industrial activities. The committees usually have representatives from different countries. A UNIDO POPs TC project could facilitate the inclusion of experts into such committees as a result of the experience gained in UNIDO projects.

Annex G: UNIDO Field Office Performance:
Generic Assessment Framework

Contents

1. Introduction

1.1 This document outlines a generic framework for the evaluation of UNIDO field office performance in the context of comprehensive country evaluations that also cover technical cooperation (TC) projects/ programmes and Global Forum activities. Adjusted to the requirements of a particular country evaluation, it can be incorporated with the TOR for that evaluation. A generic TOR for UNIDO country evaluations can be downloaded from the ODG/EVA intranet page.

1.2. Field office performance assessments are integral parts of country evaluations. Embedded in evaluations that also assess TC projects/programmes and Global Forum activities, they examine the role and contribution of the field office in a wider perspective but also more specifically in relation to TC delivery and management and Global Forum activities.

2. Background

2.1 UNIDO's field representation has been progressively transformed and strengthened since UNIDO was first established in 1966. Originally integrated with the field representation of UNDP and in part financed by UNDP, it now, in 2010, consists of 10 regional offices, 19 country offices, 18 UNIDO desks in UNDP offices, five UNIDO focal points operating from a counterpart institution, and one centre for regional cooperation. Altogether, UNIDO is represented in more than 50 countries around the world. Since the late 1990's, the field organization has been fully financed from UNIDO regular budgets, with some cost sharing and contributions by host governments.

The gradual expansion of UNIDO's field organization reflects changes within the UN-system towards closer cooperation of agencies at country level as well as a more general shift of development cooperation management and decision-making towards the country level. Field offices/desks are intended to make UNIDO more accessible to partner country clients and stakeholders, while helping UNIDO itself to ensure that its services are well tailored to partner country needs and priorities. They are also intended to facilitate interaction with the UN country-level teams and bilateral and multilateral donors. Field presence is regarded as a precondition for efficient participation in joint UNCT planning and programming, and is normally required for leading a joint UN programme initiative. In some cases it is also required by donors.

However, the expected returns on investments in UNIDO's field representation do not come by themselves. Some field offices turn out to be more useful to UNIDO and partner countries than others, and some field offices are more efficient in, for instance funds mobilization, than others. An assessment conducted by the Office of the Comptroller General of UNIDO in 2004 found that field offices generally spent relatively little time and effort on coordination with the local UN team, although UN country level integration was already at that time a UN priority issue.[38] It also found that while field offices gave much importance to supporting TC activities, they were often more concerned with the administration and monitoring of ongoing TC activities than with the development of new ones. Since identification and formulation were activities for which field offices were considered particularly well positioned, this was not quite expected.

---

38 Report on the Assessment/Evaluation of UNIDO's Field Representation. Office of the Comptroller General. 2004. V.04-51638.

A more recent evaluation that deals with the performance of UNIDO desks confirms that it can be difficult for UNIDO's field representation to live up to headquarter expectations.[39] Although for the most part quite positive in its assessments, it notices that in some respects objectives are not fully achieved. With regard to facilitating access of stakeholders to UNIDO expertise, for example, the performance of the UNIDO desks is said to be uneven, and a similar assessment is made of desk contributions to the implementation of TC projects. According to the evaluation, these shortcomings in desk performance are to a large extent due to a mismatch between a very demanding set of responsibilities and the limited resources made available for their fulfillment.

What all this goes to show is that the performance of UNIDO field offices needs to be continuously monitored and periodically evaluated in greater depth. The performance assessments for which this document provides generic guidance are intended to fill this evaluation gap. Field office assessments are expected to be useful one by one, but will also serve as inputs to a thematic evaluation. A thematic evaluation of field office performance will be conducted in 2011.

3. Purpose

3.1. Field office assessments are assessment of the performance of field offices in conducting their mandated functions and achieving stated objectives. They are organizational or functional assessments as opposed to staff assessments focusing on individuals.

Like the comprehensive country evaluation of which it forms a part, a field office assessment serves purposes of both learning and accountability. It is intended to be useful to managers and staff at UNIDO headquarters who call on field offices for services or inputs as well as to the field offices themselves. It is also expected to be useful to UNIDO's governing bodies and to external partners interested in UNIDO's field organization.

4. Scope and focus

4.1. A field office assessment covers the main functions of a UNIDO field office.

In case the field office is a regional office serving several countries, the assessment will not include all the activities for which it is responsible, but cover only those pertaining to the country in focus for the country evaluation.

The list of field office responsibilities presented below is based on UNIDO/DGB/(0).95/Add 7. dated 26 February 2010, IDB. 37/6/Add. I, dated 20 April, 2010, UNIDO's TC Guidelines of 2006, and other documents describing the responsibilities of UNIDO's field representation.

These are;

- Formally represent UNIDO among clients and stakeholders as appropriate.
- Help create/increase knowledge about UNIDO among potential clients and other interested groups in the country in order to stimulate demand for UNIDO services. This is an important marketing function. In UNIDO's standardized format for field office (FO) work plans it is referred to as 'enhancing the visibility' of UNIDO and is one of five main field office outcome areas.
- Promote and facilitate Global Forum activities. The role of the field office can be that of a knowledge broker facilitating exchange of information and knowledge between national counterparts and stakeholders and transnational UNIDO networks. On the one side, the field office helps national stakeholders to get access to transnational knowledge networks. On the other side, the field office makes national expertise and experience accessible to transnational networks.
- Provide advice to national stakeholders in UNIDO's areas of expertise as requested. To a large extent UNIDO advice flow through the channels of TC programmes/projects and specific Global Forum activities. However, advice can also be provided to national

39 Joint Terminal Evaluation of the implementation of the cooperation agreement between the United Nations Industrial Development Organization and the United Nations Development Programme. UNIDO Evaluation Group/UNDP Evaluation Office, 2009.

stakeholders, including the national government, through other types of contact and upon a direct request.

- Keep UNIDO headquarters informed of national developments in UNIDO's areas of specialization through continuous liaising with national counterparts and stakeholders as well as representatives of international development organizations.
- Contribute to the identification and formulation of new UNIDO TC projects/programmes. In cooperation with the Regional Programme, the field office gathers information relevant to the identification and formulation of new country programmes as well as of national or regional projects. It paves the way for the formulation mission both substantively and logistically. It is expected to play an important role in ensuring that the programme to be proposed to the national government is aligned with national priorities and can be incorporated within the wider UN assistance frameworks.
- Help mobilize resources for TC interventions from the national government, international donors, and other interested actors. Conducted with support of UNIDO headquarters, the participation of field offices in resource mobilization is especially important in countries where there is a joint financing mechanism for the UN-system and/or donors have decentralized funding decisions to the country level.
- Contribute to ongoing UNIDO TC activities in the country/region through monitoring and support to implementation and evaluation. In the monitoring of programmes, field offices should regularly review implementation status with counterparts and stakeholders, brief and debrief experts and consultants, attend review meetings, and report back to the programme team on accomplishments and the possible need for remedial action. At project level, the main FO task is usually to provide administrative, technical and logistic support to project managers and experts based at UNIDO headquarters. In some cases, however, projects are directly managed by FO staff members who are then also allotment holders. Field offices also provide support to evaluation missions.
- Contribute to gender mainstreaming of TC activities at all stages.
- Support UN integration at country level through active participation in the United Nations Country Team (UNCT), and contribute as appropriate to joint UN country-level initiatives (Common Country Assessments (CCAs), United Nations Development Assistance Frameworks (UNDAFs), Delivering as One (DaO), etc.). Act as champion of UNIDO thematic interests and UNIDO itself in the UNCT.

4.2 Field office assessments do not replace the audits performed by UNIDO's Office of Internal Oversight Services (IOS). While internal audits tend to focus on compliance with UNIDO rules and regulations, the quality of systems of internal control, etc., field office assessments are more directly concerned with the contributions of field offices to development cooperation or in fulfilling UNIDO's mandate. Financial control, contracts, procurement, travel and general administration are matters that typically belong to auditing. Such matters may figure in field office assessments as variables influencing technical cooperation (TC) delivery (efficiency aspects) and results (effectiveness aspects), but would not be examined in their own right or in respect to adherence of rules and regulations.

4.3. Field office assessments are also not intended to replace the reporting by the field offices themselves on activities and results in accordance with their annual results-based management (RBM) work plans. While the RBM work plan and the monitoring of its implementation are integral elements of field office management, a field office assessment is an independent evaluation of field office functioning. In a field office assessment both the design and the implementation of the RBM work plan are assessed. The work plan's standardized causal logic of outputs and outcomes is regarded as a hypothesis to be interpreted and validated rather than as an established fact.

In the standard RBM work plan framework for UNIDO field offices the following are currently (2010) the main outcomes:

1. UNIDO visibility enhanced at global, regional/sub-regional and country levels.
2. Responsiveness of UNIDO to national/regional priorities:
-TC programme and project development
-Fund raising
3. Effective participation in UN initiatives at country level, including UNDAF, PRSP, UNDG, One UN, etc.
4. Promoting Global Forum activities with direct link to UNIDO priorities and to the potential increase of UNIDO portfolio in the region and worldwide.

5. Effective management of technical cooperation activities and the UNIDO office.

Field office assessments should review the appropriateness of this categorization of outcomes and the rest of the standard RBM work plan framework (outputs, indicators, etc.) for guiding the activities listed in section 4.1 above and reporting on their results. Questions regarding the appropriateness and actual and potential use of the work plan framework are included in the attached field office evaluation framework (Annex 1).

5. Criteria and issues

5.1 Field office performance is assessed in relation to three evaluation criteria:

- Relevance
- Effectiveness,
- Efficiency

The following paragraphs define these concepts and explain how they are intended to be applied in field office assessments. Standard evaluation questions relating to each of the criteria can be found in the attached field office evaluation matrix (Annex 1).

5.2. **Relevance** is defined in much the same way as in the OECD/DAC Glossary of Key Terms in Evaluation and Results Based Management. The main difference is that while the OECD/DAC definition refers to the relevance of a specific development intervention, a field office assessment is concerned with the relevance of a subdivision of a larger organization. In both the cases, however, relevance is a criterion for assessing the extent to which the evaluated unit matches the needs and priorities of its clients or target groups. Most of the questions about relevance in the attached evaluation matrix concern the extent to which field office services are consistent with needs and priorities formulated in the partner country PRSP and other national policy documents and are considered useful by national counterparts and stakeholders. There is also a question about the consistency of the field office work programme with UNIDO strategic priorities. Is the field office doing what it should, given UNIDO priorities in relation to the country in question?

5.3. **Effectiveness** is a criterion for assessing the extent to which an entity has achieved, or is likely to achieve, its objectives or fulfill its mandate. OECD/DAC defines it as 'the extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.' In an assessment of field office performance, however, it is better understood as 'the extent to which an organization, or organizational unit, has achieved, or is expected to achieve its objectives or fulfill its responsibilities, taking into account their relative importance.' So defined, effectiveness refers to achievement of objectives and/or fulfillment of responsibilities in relation to most of the field office functions listed in section 4.1 above, including that of contributing to the effectiveness of TC projects/programmes.

Note that assessments of field office effectiveness should focus on the achievement of outcome-level results, rather than the performance of activities and the delivery of outputs. The key question is always the same: has delivered outputs been useful to clients or target groups as intended, and/or is it likely that they will achieve their intended effects in the future? In a field office assessment, the client or target group is in many cases another UNIDO functional unit for which the field office provides supportive services. In other cases, the client is a partner or stakeholder outside UNIDO.

In the attached evaluation matrix (Annex 1) the effectiveness criterion is applied to all the field office functions listed in section 4.1 above one by one. With regard to each of the functions there is a package of questions covering the following points:

- Activities and outputs: What has the field office actually done in relation to the function in question during the assessment period? What were the activities? What were the outputs? Who were the target groups or clients?
- Gender mainstreaming: How were gender equality issues taken into account by the field office in these activities?
- Performance monitoring: How has the field office monitored and measured the implementation and results of its own activities in relation to this function during the

assessment period?
- Observed/inferred outcomes of field office outputs: What have been, or seem to have been, the outcomes of field office services for clients and target groups?
- Achievement of objectives/fulfillment of responsibilities: How do the observed/inferred outcomes for clients and target groups compare to intended outcomes? Are outcome-level results satisfactory in relation to field office mandates, plans and expectations?
- Capacity to respond to Government expectations: Is the Field Office able to cope with the country's expectations and does it effectively and efficiently respond to Government priorities? What is the added value of UNIDO's field office for the Government?
- In case intended outcomes for clients and target groups were not achieved or mandates not fulfilled: What is the explanation for the gap between intended and achieved results?
- Ways by which the field office could make its operations pertaining to this function more effective, if required.
- Ways by which UNIDO head quarters could support field office efforts to make these operations more effective, if required.

An assessment of the overall effectiveness of a field office is a synthesis of function-by-function assessments that takes the relative importance of functions into account.

5.4. While effectiveness is about results, primarily outcomes, **efficiency** is about inputs and outputs and the relation between them. According to OECD/DAC, efficiency is 'a measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to results.' As long as the word 'results' is taken to refer to outputs alone, this is an appropriate definition for field office assessments. Efficiency in this restricted sense is also known as input-output efficiency.

Since a field office provides a variety of services, most of which are non-standardized and difficult to measure, its efficiency in converting resources into outputs is not readily reduced to numbers and not easily compared to that of other field offices or other organizations. In large part, however, an assessment of field office efficiency is concerned with the quality of management systems and practices and the delivery of outputs according to plans, resources and budgets. It also covers efforts to achieve higher productivity, maintain or improve quality of outputs, and reduce the costs of resource inputs. The attached evaluation matrix includes standard questions (Annex 1).

5.5. An assessment of field office performance must be grounded in an accurate appreciation of field office capacity in relation to its mandate and resource endowment and factors in the environment that may influence performance. The task of a field office assessment is not just to assess performance in relation to a set of standardized criteria, but to find explanations for differences in performance levels and constructively suggest remedies where performance seems to fall short of expectation and to identify good practices and benchmarks.

If a field office fails to achieve planned results, or does not achieve them well enough, it is perhaps because the objectives were unrealistic given the constraints of the local environment or the limitations of field office capacity. It may also be because the existing field office capacity is not well utilized, or it is perhaps due to a combination of all of these factors. Whatever the problem, it is the task of a field office assessment to come up with a useful and forward-looking diagnosis.

Similarly, when a field office is found to perform very well, a field office assessment should not be content with putting its achievements on record, but should try to identify factors explaining the good performance and draw conclusions that can be usefully applied elsewhere.

6. Approach and methodology

6.1. Field office assessments are part of country evaluations and should be planned and implemented accordingly. The evaluation team responsible for the country evaluation is usually also in charge of the field office assessment. Findings from assessments of TC project/programmes and activities pertaining to the Global Forum provide essential inputs to the field office assessment. Questions about field office contributions to TC interventions or Global Forum initiatives cannot be adequately answered without prior assessments of these activities themselves.

6.2. Field office assessments are conducted with the active participation of field office staff. They begin with a self-evaluation where field office staff members are asked to describe the functioning

of the field office and make their own assessments of results in relation to the evaluation criteria explained above. In a second step the results from the self-evaluation are used as a platform for discussions between the FO staff and the evaluation team.

6.3. Data for field office assessments are also collected from actual and potential recipients of field office services inside and outside UNIDO. Since field offices are service organizations, opinions regarding the usefulness of their services to clients, as well as information on actual client satisfaction with services rendered, are essential for assessments of field office performance.

6.4. The selection of clients or target group representatives to be interviewed in connection with a field office performance assessment is made by the evaluation team in accordance with the requirements of the case at hand. The evaluation team is also responsible for other aspects of the evaluation methodology. A description of the proposed methodology should be included in the country evaluation inception report.

Annex B: List of persons met

Name	Job title/position in company/organization	Name of company/organization
Public sector		
Ministries		
Madhav Lal	Additional Secretary and Development Commissioner	Ministry of Micro, Small and Medium Enterprises
Chaitanya Prasad	Joint Secretary	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry
Ambuj Sharma	Joint Secretary	Department of Heavy Industry, Ministry of Heavy Industries & Public Enterprises
Rajiv Gauba	Joint Secretary	Ministry of Environment and Forests
Hukum Singh Meena	Joint Development Commissioner	Ministry of Micro, Small and Medium Enterprises
Hem Pande	Joint Secretary	GEF Operational Focal Point in India, Ministry of Environment & Forests
Chandana Chowdhury	Director	Ministry of Environment and Forests
M. Subba Rao	Director	Ministry of Environment and Forests
Sanjeev Chawla	Deputy Director	Ministry of Micro, Small and Medium Enterprises
A. Lakshmanawamy	Research Officer	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry
Rajesh Ranjan	Director	Ministry of Agriculture
Other (para-)public institutions		
M.J. Pervez	Director Group Head (Environment)	National Cleaner Production Centre National Productivity Council
N. Murugesan	Director General	Central Power Research Institute, Bangalore
Mr. Dwakanath	Additional Director	Dielectric Materials Division, Central Power Research Institute, Bangalore
S. Vijaya Kumari	Joint Director and Head	Dielectric Materials Division, Central Power Research Institute, Bangalore
C. Jayarama Naidu	Joint Director	Dielectric Materials Division, Central Power Research Institute, Bangalore

ANNEX B – List of persons met

Name	Job title/position in company/organization	Name of company/organization
P. Thomas	Joint Director	Dielectric Materials Division, Central Power Research Institute, Bangalore
Ashwani Pahuja	Director General	National Council for Cement and Building Materials, Ballabgarh, Haryana
S.K. Chathurvedi	General Manager	National Council for Cement and Building Materials, Ballabgarh, Haryana
V.P. Chatterjee	General Manager	National Council for Cement and Building Materials, Ballabgarh, Haryana
Devendra Yadav	Group Manager	National Council for Cement and Building Materials, Ballabgarh, Haryana
C. S. Prasad	Principal Technical Officer	Central Glass and Ceramic Research Institute, Khurja Centre, Uttar Pradesh
Yad Ram	Principal Technical Officer	Central Glass and Ceramic Research Institute, Khurja Centre, Uttar Pradesh
K.C. Sipli	Senior Technical Officer	Central Glass and Ceramic Research Institute, Khurja Centre, Uttar Pradesh
Rajiv Lochan	Senior Manager	CMPDI, Ministry of Coal
U.K. Sangma	Secretary	North Eastern Council, Ministry of Development of NE Region, NEC Secretariat, Shillong
Sudhir Kochnar	Principal Scientist	ICAR PB/IPR
Aloke Kumar Dhar	General Manager	CIL, New Delhi
C.J. Venugopal	Chairman-cum-Managing Director	IPICOL, Bhubaneswar
B.N. Palai	General Manager; Head, Outreach and Promotion; Head, Single Window	IPICOL, Bhubaneswar
S.N. Nayak	Manager	IPICOL, Bhubaneswar
S.K. Samartha	Investment generation – Single Window	IPICOL, Bhubaneswar
B.K. Dash	General Manager	District Industries Centre, Bhubaneswar
K.N. Khatai	Director	SME Directorate, State of Orissa
N.N. Pallai	Director	Directorate of Handicrafts and Cottage Industries, State of Orissa
B.K. Das	Joint Director	Directorate of Handicrafts and Cottage Industries, State of Orissa

ANNEX B – List of persons met

Name	Job title/position in company/organization	Name of company/organization
J.N. Mohanty	Joint Director	Directorate of Handicrafts and Cottage Industries, State of Orissa
P.P. Chowdhury	Assistant Director	Directorate of Handicrafts and Cottage Industries, State of Orissa
State Institute for Development of Arts and Crafts	Director	SIDAC, State of Orissa
P.K. Trupathy	Member/Secretary	SIDAC, State of Orissa
Private sector		
Organizations		
J.B. Surana	President	All India Granites & Stone Association, Bangalore
S. Krishna Prasad	General Secretary	All India Granites & Stone Association, Bangalore
S. Kumar	Principal	M. S. Ramaiah Medical College & Hospital, Bangalore
S. Pruthvish	Professor and Head	Department of Community Medicine , M. S. Ramaiah Medical College & Hospital, Bangalore
Shakeel Ahmad	Secretary	K.P.M.A., Khurja
Girish Sethi	Director	The Energy and Resources Institute, New Delhi
B.C. Jena	Vice-President	Utkal Pharmaceutical Manufacturers Association, Cuttack, Orissa
Mihir Kr. Kanungo	General Secretary	Utkal Pharmaceutical Manufacturers Association, Cuttack, Orissa
Rakesh Gupta	Principal Counsellor	ACMA Centre for Technology
Anupam Kaushik	Executive Officer	ACM Centre for Technology
Ashwani Kumar	Assistant Director	ACMA
Jitender Rana	Executive Officer	ACMA
Kamesh Salam	Director	Cane and Bamboo Technology Centre
*I.H. Saikia *Anjal Goswami *Tamreiyo Longvah *Vijayan Pillai *Anil Chandra Das *Lal Lhungdim *H. Priyokumar	Staff /National experts	Cane and Bamboo Technology Centre

ANNEX B – List of persons met

Name	Job title/position in company/organization	Name of company/organization
Singh		
Mahendra Baishya	Secretary General	Pancharatna, Nalbari, Assam
Jamil Ashraf	National Director	Partnership Programme, automotive component industry (now hired by ACMA as s.t. consultant)
Sanjay Mudgal	National Expert	Partnership Programme, automotive component industry (now hired by ACMA as s.t. consultant)
Mukesh Gulati	Manager	Foundation for MSME Clusters
Enterprises		
Jaswant S. Minhas		Silico & Chemico Porcelain Works, Khurja Centre, Uttar Pradesh
G. S. Minhas		Silico & Chemico Porcelain Works, Khurja Centre, Uttar Pradesh
Darshan Chhaatwal		Silico & Chemico Porcelain Works, Khurja Centre, Uttar Pradesh
S.C.Khanna		Naresh Potteries, Khurja Centre, Uttar Pradesh
Jagmohan Panda	Manager	Grassland Herbs and Agro Foods Ltd (cashew cluste, Orissa)
Sandeep Bhimwal	Operations and TQC Facilitator	Nipman Fastener Industries, Manesar, Gurgaon
A.K. DasGupta	Vice President	Onassis Auto Ltd, Manesar, Gurgaon
Sushil Walia	Head - Commercial	Onassis Auto Ltd, Manesar, Gurgaon
Consultants		
Bruno Valanzuolo	Chief Technical Adviser	Consolidated Project for SME development in India, New Delhi
Hemant Verma	National expert, Cluster Development	Consolidated Project for SME development in India, New Delhi
Manish Sinha	National expert, Mutual Credit Guarantee Scheme	Consolidated Project for SME development in India, New Delhi
Sujit Das	National expert (energy)	UNIDO, New Delhi

ANNEX B – List of persons met

Name	Job title/position in company/organization	Name of company/organization
Shubhangi Kitchloo	Executive assistant	ICAMT
Donors/other development partners		
Mr. Bagchi	Economic Advisor	DFID
Patrice Cœur-Bizot	Resident Representative	UNDP, New Delhi
Srinivasan Iyer	Assistant country Director & Head	Energy and Environment, UNDP, New Delhi
Anil Arora	Programme Officer	Energy & Environment Unit, UNDP, New Delhi
Gavin Wall	FAO Representative	FAO, New Delhi
Tine Staermose	Director	ILO, New Delhi
UNIDO		
UNIDO New Delhi		
A. Fujino	UNIDO Representative for India and Regional director for South Asia	UNIDO, New Delhi
A. Levissianos	Deputy Representative for South Asia	UNIDO, New Delhi
Tonilyn P. Lim	Industrial Development Officer, Energy & Environment	UNIDO, New Delhi
Toshiaki Ono	Associate Programme Officer	UNIDO, New Delhi
Shipra Biswas	Communication Officer	UNIDO, New Delhi
S.P. Dhua	Regional Coordinator	Regional Network on Pesticides for Asia & the Pacific (RENPAP) and POPs for Asia, UNIDO, New Delhi
Y.P. Ramdev	Assistant Regional Coordinator	Regional Network on Pesticides for Asia & the Pacific (RENPAP) and POPs for Asia, Programme Officer,
A. de Sa	Director	UNIDO Centre for South-South Industrial Co-operation (UCSSIC)
K. Lall	National Programme Officer	UNIDO Centre for South-South Industrial Co-operation (UCSSIC)

ANNEX B – List of persons met

Name	Job title/position in company/organization	Name of company/organization
UNIDO HQ		
P. Loewe	Senior Evaluation Officer	UNIDO Evaluation Group
J. Dobinger	Evaluation Officer	UNIDO Evaluation Group
M. Kulur	Unit Chief and Deputy to the Director	PTC/BIT/ITU
A. Vera	Project Chief Coordinator	PTC/BIT/CUP
P. Mishra	Industrial Development Officer	PTC/BIT/ITU
G. Ceglie	Senior Industrial Development Officer Head of Unit	Clusters and Business Linkages Unit
N. Weisert	Industrial Development Officer	Clusters and Business Linkages Unit
M. Clara	Programme Management Officer	RSF/OMD
C. van Berkel	Unit Chief	Cleaner and Sustainable Production Unit
P. Scholtès	Director	Agri-Business Development Branch
R. Singh	Industrial Development Officer	Renewable ad Rural Energy Unit
M. Prodan	Industrial Development Officer	Refrigeration and Aerosols
F. Haidara	Director	ODG/PMO
P. Monga	Director	Energy and Climate Change Branch
Z. Wang	Field Operations Officer	Asia and Pacific Programme
L. Galvan	Project Assistant	Stockholm Convention Unit
C. Gürkök	Senior Advisor on Energy	Programme Development and Technical Cooperation Division
Mr. Alhilali	Industrial Development Officer	Environmental Management Branch
Mr. Gielen (phone interview)	Unit Chief	PTC/ECC/IEE

Annex C: List of documents consulted

General

UNIDO Evaluation Group, Independent evaluation, India, UNIDO Country Service Framework, May 2007

UNIDO, Country Programme of Technical Cooperation in India 2008-2012 – Towards inclusive growth: strengthening the competitiveness and productivity of industrial enterprises, signed version of May 2008

UNIDO, Regional Office for South Asia, UNIDO operations in India, Annual report 2008

UNIDO, Regional Office for South Asia, UNIDO operations in India, Annual report 2009

UNIDO, Programme Progress Report as at end October 2009

UNIDO & FAO, Agro-industries for Development, 2009

UNIDO, Programme Progress Report as at end March 2010

UNIDO Regional Office for South Asia, UNIDO South Asia – in Action, Volume 2, No. 2, July – September 2008

UNIDO Regional Office for South Asia, UNIDO South Asia – in Action, Volume 4, No. 1, January – March 2010

UNDAF 2008 – 2012, India

Central Statistical Organization, Ministry of Statistics and Programme Implementation, Government of India, Millennium Development Goals – India Country Report 2009 – Mid-Term Statistical Appraisal

Economist Intelligence Unit, Country Report India, November 2010

Energy and Environment

UNIDO: Energy, Environment & Climate Change, Initiatives in India, 2009

UNIDO: Independent Evaluation of the UNIDO-UNEP Cleaner Production Programme, Country Evaluation Report India, April 2008

ICDP, Project document, Component 1, Technology, energy and environment, signed August 2009

India Ministry of Environment and Forests, State of the Environment Report, 2009

India Ministry of Environment and Forests, National Action Plan on Climate Change, 2008

India Ministry of Environment and Forests, National Environmental Policy, 2006
Summary of Proceedings of the International Seminar on Small Hydro Power, 12-14 December 2007: Trivandrum, India

Global network for Resource Efficient and Cleaner Production, Charter, Final, September 2010

Global network for Resource Efficient and Cleaner Production, By-Law Membership, Final, September 2010

Global network for Resource Efficient and Cleaner Production, By-LawCode of Conduct, Final, September 2010

Global network for Resource Efficient and Cleaner Production, Application Form for Membership, 2010

NIP project

Progress report, Jan-Dec.2010

Presentation 'Introduction to Stockholm Convention on POPs, Mohamed Eisa, UNIDO, 12 May 2010

Presentation 'On the POPs project in India', Dhua and Ramdev, IDB 37, May 2010

UNIDO NIP India, Project Brief, 27 Oct. 2006, with appendices dated 12 June 2006

Request for extension on project milestone, non-dated

GEF approval letter of the project proposal, 6 Sept. 2007

PCB Project

Preparation Phase (GEFIND08010)

Progress report, Jan.- Oct.2010

Service Summary Sheet, Oct. 2008

Work Plan, Oct.-Dec.2010

Project (GEFIND10001)

Project document, 25 November 2009 revision

Request for CEO Endorsement/Approval FSP, resubmission date:25 Nov. 2009

Presentation 'Environmentally Sound Management of PCBs in India', Dr.M.Ravi Kanth, Joint Secretary, Ministry of Power and V.V.Pattanshetti, Joint Director, CPRI, IDB 37, May 2010

Medical Waste

Project Identification Form, Resubmission date:7 April 2009

Presentation 'GOI GEF UNIDO Initiative 'Environmentally Sound Management of Medical Waste in India, S.Kumar, IDB 37, May 2010

Report 'Situation analysis of health care establishments and common biomedical waste treatment facilities in the five States', non-dated

First Report 'Overall Review of existing national laws and regulations and assessment of technical and environmental issues related to medical waste management and disposal in India', M.S. Ramaiah Medical College and Group of Hospitals, 29 September 2009

Third Report 'Action Plans for capacity building on Best Available Techniques and Best Environmental Practices (BAT/BEP), M.S. Ramaiah Medical College and Group of Hospitals, November 2009

Ceramic Project

End Project Evaluation Report on National Programme to Support Energy Efficiency and Quality Standards in Ceramics Small and Medium Scale Enterprises (SMEs) India, Subhash Chandra Mathur, August 2010

Project Document, October 2004

Service Summary Sheet, August 2004

Promoting EE/RE in MSME

Request for project preparation grant, resubmission date 23 March 2009

Request for CEO Endorsement/Approval FSP, Re-submission date: 9 Dec.2010

CBM Project

Terminal Evaluation Report, July 2009, Dr MM Seam, National Consultannt/Team Leader, Dr RP Verma, National Consultant

External Evaluation Report, J.H.A. van den Akker, International consultant, A.K.Dube, national consultant, 17 November 2004

Project document, June 1998

Cleaner Technology Promotion

Project Document, 14 December 2001

Project details, 21 August 2007

Mid-term review Cleaner Technology Promotion in India, US/IND/02/001, Gujarat and Karnataka, India, Donal O'Laoire, 22 November 2004

UNIDO/SECO: Cleaner Technology Promotion Project, Progress Report 2008/2009, 20 January 2010

International Reference Centre note on Cleaner Technology Promotion, next steps, 2007

B,S,S Consultant Status Report CDM in India, April 2007

Inter-office memo of the NCPC Director of 8 April 2009

Cleaner Production Assessment for the Chemical Industries in Gujarat for the International Financial Corporation, Draft Final Report, Dr Prasad Modak, September 2009

Back-to-office mission reports, January 2008, March 2008 and April 2010, Smail ALHILALI

International Reference Centre India, Annual Report 2006, Zurich, February 7, 2007

Various documents related to evaluation 2006

Voluntary Initiative for GHG Accounting

Project document, not dated

Service Summary Sheet, 3 July 2009

Project progress report, 01 Aug 2010 – 31 Jul 2011

Private Sector Development

Cane and Bamboo

UNIDO, Promoting livelihoods in North Eastern India: the Cane and Bamboo Networking Project, XX/IND/08/XXX (non dated)

V. Brias, Mission report, April 2009

Project activity report on period August 2009 – December 2009

Project activity report, November 2010

M. Bhatia, Baseline study on cane and bamboo clusters, Assam, 2009

UNIDO, Strategic Action Plan for the Tuli Bamboo Cluster, Nagaland, March 2009

Agenda notes for the 3rd Project Steering Committee meeting, 28 April 2010

Pancharatna, organization profile

A. Liebman and T. Einav, UNIDO, Bamboo: an untapped and amazing resource, August 2009 (www.unido.org/index.php?id=1000276)

Cane and Bamboo Technology Centre, Annual Report 2008/2009

Consolidated project for SME Development

UNIDO, Project document TF/IND/XX/XXX, Consolidated project for SME Development in India through the establishment of mutual credit guarantee schemes, cluster twinning and foreign investment and technology promotion, non dated

UNIDO, Project Action/Investment Promotion component (revised), 2007

UNIDO, Activities report 2009-10, July 2010

UNIDO, Workplan and Budget July 2010 – June 2011 for 5th Steering Committee, June 2010

Minutes of the 5th Steering Committee (draft) held on 8 November 2010

UNIDO and Indian Shoe Federation, Activities, Achievements and Avenues, non dated

UNIDO and Indian Finished Leather Manufacturers and Exporters Association, Activities, Achievements and Avenues, non dated

UNIDO-AIEMA, SPX Supplier Development Program (SDP) for SMEs in the Auto Component Cluster, May-November, Chennai

UNIDO SPX Supplier Benchmarking Results, 2007

Investment promotion

Executive summary and working documents of main findings and recommendations, Investment Promotion Agency in Orissa, establishment and operational strategic business plan framework, June 2005

UNIDO, Findings of Survey of recent Investors' experience of the process of establishing or expanding operations in Orissa, 2008

UNIDO, Technical assistance programme implemented by UNIDO (Single Window & Investment Promotion Component), Power Point presentation, non dated (end 2008)

UNIDO, documentation pertaining to the extension of project TF/IND/03/002, November 2008

Team Orissa, promotional materials (multiple)

Cluster development

UNIDO/ Foundation for MSME Clusters, Making clusters work – UNIDO methodology, 2006

Foundation for MSME Clusters, Policy and Status Paper on Cluster Development in India, November 2007 (publication supported by Swiss Agency for Development and Cooperation)

Foundation for MSME Clusters, Cluster Development and Poverty Alleviation, May 2008 (publication supported by Swiss Agency for Development and Cooperation)

UNIDO, MSME Cluster Development Programme in the State of Orissa, end of project report (TF/IND/04/048), July 2008

UNIDO South Asia Regional Office, UNIDO & SMEs – Cluster development in India, 2009

C. Pietrobelli, Independent review of the UNIDO Cluster and Networking Development Initiatives in India, June 2009

UNIDO Evaluation Group, Independent Thematic Evaluation – UNIDO Cluster and Networking Development Initiatives, April 2010

Government of Orissa, Directorate of Industries, Industrial Policy Resolution – 2007 and Operational Guidelines

Government of Orissa, Industries Department, Orissa MSME Development Policy 2009

Automotive components

UNIDO, Project document, Supporting small and medium-sized manufacturers in the automotive component industry in India (Southern Region) – UNIDO Partnership Programme – Phase II (non dated version)

UNIDO, revised Project document, Supporting small and medium-sized manufacturers in the automotive component industry in India – UNIDO Partnership Programme – Phase II (increased), *i.e. de facto Phase III*, March 2004)

UNIDO, Progress Report of project SF/IND/04/002 covering January 2005 – July 2007, July 2007

Pricewaterhouse & Coopers, Impact Assessment, UNIDO Partnership Programme Phase II, Final Report, February 2006

N. Weisert, Back to Office Mission Report (India), 21 December 2009

UNIDO, Final report of project SF/IND/04/002 (draft, November 2010 and final version, December 2010)

UNIDO, ICDP, Project Document, Project Nr. 2, Total quality Management and Cluster Development at three Auto-Clusters (non dated version)

UNIDO, Project document, Supporting small and medium-sized manufacturers in the automotive component industry in India: Deepening and widening the services provided within the framework of the UNIDO-ACMA-MoHI Partnership Programme, version dated 26 September 2010

UNIDO, Appraisal Note of project XX/IND/10/01, Supporting small and medium-sized manufacturers in the automotive component industry in India: Deepening and widening the services provided within the framework of the UNIDO-ACMA-MoHI Partnership Programme, 1 October 2010

Automotive Mission Plan 2006 – 2016, A mission for Development of Indian Automotive Industry, Ministry of Heavy Industries & Public Enterprises, December 2006

Auto News, ACMA Newsletter, August-September 2010-12-21

ANNEX C – List of documents consulted

ACMA Centre for Technology, Cluster Programs for Operational Excellence (brochure)

Economist Intelligence Unit, Industry Report – Automotive, India, May 2010

Brass and bell metal

Brief report on activities, 2008, 2009, 2010 (project expert)

UNIDO HQ, activity report (non dated)

Other

UNIDO, Service summary sheet, Promoting industrial maintenance amongst SMEs in selected manufacturing sectors in India (based on a proposal from CII), October 2010

Annex D: Overview of projects

Overview of projects									
Number	**Project Name**	**Status**	**Start**	**End Planned**	**Actual**	**Donor**	**Curr.**	**Allot.**	**Total Exp.**
Environment & Energy									
GNIND98G34		C	25/07/2003	28/12/2010	28/12/2010	UNDP[40]	USD	8.128.197	1.213.786
SFIND02004	Coal bed methane recovery and commercial utilization	G	01/01/2002	20/09/2007	17/09/2007	India/Oil and Natural Gas Corporation Ltd, Kolkata		3,590,733	3,590,733
DGIND04952		C	1/01/2000	31/01/2010	31/01/2010	UNDP		1,024,442	1,024,442
GFIND07004	Development of a NIP in India as a first step to implement the Stockholm Convention on POPs	O	30/08/2007	30/08/2009	31/12/2010	GEF	USD	3.074.700	2.547.902
GFIND08010	Environmentally Sound Management & Final Disposal of PCBs in India (PPG)	O	28/11/2008	31/12/2010	31/12/2010	GEF	USD	350.000	323.210
GFIND10001	Environmentally Sound Management & Final Disposal of PCBs in India	O	15/01/2009	31/12/2014			USD	14.100.000	0
GFIND09003	Promoting energy efficiency and renewable energy in selectes MSME clusters in India - GEF contribution for project preparation	O	29/04/2009	31/12/2010		GEF	USD	100.000	99.817
XPIND09004	UNIDO co-funding GFIND09003	O	29/04/2009	31/12/2010		UNIDO	EUR	75.600	74.818
GFIND09005	Environmentally Sound Management of medical wastes in India (Preparatory Phase)	O	14/05/2009	30/06/2010	18/08/2010	GEF	USD	250.000	248.374
MPIND05007	CTC Phase-Out for the Consumption and Production Sectors - 2005 Annual Programme	O	14/04/2005	31/12/2010		MP	USD	3.500.000	3.434.378
MPIND06001	CTC Phase-Out for the Consumption and Production Sectors - 2006 Annual Plan	O	20/09/2006	31/12/2010		MP	USD	399.046	243.181
MPIND08009	Preparation of HCFC phase-out Management	O	12/12/2008	31/03/2010		MP	USD	70.000	69.796
USIND05001	National Programme to Support Energy Efficiency and Quality Standards in Ceramics SMEs	C	12/01/2005	30/07/2010	30/07/2010	India	USD	353.982	353.535
TFIND07001		C	13/03/2007	31/12/2010			USD	185.556	185.536
TFIND07005	Eco-City - Eco Business Partnership Programme in India	O	31/01/2008	31/12/2010		India	USD	221.195	42.213
XPIND08001		O	4/02/2008	31/12/2010		UNIDO	EUR	103.005	91.216

[40] It should be noted that GN/IND/98/G34 was originally GEF funded. However, the funds have been transferred by UNDP and therefore, for UNIDO, the donor is considered as UNDP. Besides, DG/IND/97/952 (considered together with DG/IND/04/952 – the previous number for the same project) totals 1,024.441,53 is a UNDDP funded project under the so-called national execution modality in UNDP, as is GN/IND/98/G34.

Overview of projects

Number	Project Name	Status	Start	End Planned	Actual	Donor	Curr.	Allot.	Total Exp.
USIND02001	Cleaner Technology Promotion In India	O	12/04/2002	31/12/2006	31/12/2010	CH / SECO	USD	1.450.463	1.274.571
USIND04054	Renewable Energy based Economic Development (Laccadives Islands)	O	5/05/2005	5/05/2007	31/12/2010	India	USD	130.644	130.642
XPIND05005							USD	35.607	35.607
USIND05006	Business Partnership Programme for the Development of Selected Industrial Sectors in India	O	11/04/2005	31/12/2010		India	USD	82.735	82.804
XPIND05004						India		72.924	-19.871
USIND09008	Voluntary initiative to promote greenhouse gas accounting and low-carbon production in sectors of Indian industry	O	11/03/2010	31/03/2012		CH / SECO	USD	194.668	1.353
Private Sector Development									
SFIND04002	Support small and medium sized manufacturers in the automotive component industry in India - UNIDO Business Partnership Programme (Phase III)	C	17/01/2005	31/12/2010		India	USD	700000	698.597
TFIND03002	Project to Support Implementation of Government of Orissa's Industrial Policy Resolution - 2001 (Investment Promotion Component)	C	28/11/2003	31/12/2009		UK	USD	1707777	1.707.777
TFIND03A02									
TFIND03B02									
SFIND08004	Promoting Livelihoods in North Eastern India - The Cane and Bamboo Networking Project	O	10/03/2009	31/05/2012		India	USD	132460	9.880
USIND08002		O	16/05/2008	31/05/2012		India	USD	353982	207.721
XPIND09001		O	6/02/2009	31/12/2010		UNIDO	EUR	52386	23.586
USIND09009	UNIDO Potential Investor Survey (India component)	O	1/04/2010	31/12/2010		GoISSIC	USD	31000	24.798
TEIND04001	Consolidated Project for SME	O	14/06/2005	31/12/2010		Italy, Euro	EUR	423429	418.314
TEIND04A01		O	13/06/2005	31/12/2010		Account		678500	525.246
TEIND04B01		O	13/06/2005	31/12/2010				1171431	1.106.083
TEIND04C01		O	13/06/2005	31/12/2010				831830	741.792
TEIND04D01		O	13/06/2005	31/12/2010				357573	281.758
TFIND04048	MSME - Cluster Development Programme in Orissa	G	8/12/2004	16/02/2010		UK	USD	1038025	1.038.025
SFIND08005	Nat'l Prog for Technology Upgradation of Brass and Bell Metal Industry in Khagra & other areas	O	10/10/2008	31/10/2011		India	USD	88496	15.360
USIND08006		O	29/04/2008	30/04/2011			USD	88496	39.107
XPIND09002	Integrated Cluster Development Programme -Prep Assistance (2009-2012)	O	24/03/2009	31/12/2009		UNIDO	EUR	10560	10.560
USIND09006	Technology upgrading	O	11/12/2009	31/12/2010		India	USD	309735	119.768
SFIND09007							USD		
PIPELINE PROJECTS									
Energy & Environment									
XXIND08X07	Energy efficiency in foundries Jalandhar								

XX/IND/08/X10	Promoting energy efficiency and renewable energy in selected MSME clusters in India								
XX/IND/08/X05	E-waste management in India								
XX/IND/07/X02	Industrial applications of renewable energy technologies in selected SME clusters in India								
XXIND09X04	Integrated Cluster Development Programme 2009-2014: Resource efficient and cleaner production (RECP)								
Private Sector Development									
XXIND09X06	Integrated Cluster Development Programme 2009-2014: Leather technology, productivity and design								
XXIND09X07	Technology upgrading and productivity enhancement of foundry industry at Coimbatore and Belgaum								
XXIND09X05	Integrated Cluster Development Programme 2009-2014: Total quality management and cluster development at three auto-clusters								
XXIND09X01	Integrated Cluster Development Programme 2009-2014: coordination facility								
SF/IND/09/013, US/IND/09/012	National programme for developing plastics manufacturing industry in India								
XX/IND/10/X01	Supporting small and medium-sized manufacturers in the automotive component industry in India. Deepening and widening the services provided within the framework of the UNIDO-ACMA MOHI Partnership Programme – Phase I								
SUPPORT TO RO									
USIND08007	Support to the Operation of the UNIDO RO in India as a RBM framework	O	4/07/2008	31/12/2011		India	USD	424810	367.753
TFIND07003	JPO Mr. Ricardo Mesiano	O	28/09/2007	31/05/2010		Italy	USD	284755	269.068
XPIND07002	Programme Support for CP - Missions	C	19/04/2007	31/12/2010		UNIDO	USD	7556	7.788
REGIONAL									
USRAF09015	Renewable energy for productive uses	O	11/08/2009	31/12/2010		GoISSIC	USD	300000	21.814
USRAF09019 TFRAF09020	Development and application of a new technical assistance product One village-industrial clustersas a vehicle for economic growth and poverty reductions	O	10/02/2010	28/02/2012		GoISSIC	USD	250000	53.987
USRAF09029	Development of production capacity and promotion of neem derived from bio pesticides as a low cost and eco-friendly alternative to chemical pesticided in West Africa - Prep. Assistance	O	18/11/2009	30/06/2010		GoISSIC	USD	25000	0
TFRAS04A01	Regional Network on Pesticides for Asia and Pacific (RENPAP)	C	26/03/2008	31/12/2010		RENPAP	USD	14621	14.621
TFRAS09004		O	4/06/2009	31/10/2011		Member	USD	151746	37.504
TFRAS09A04		O	21/12/2009	31/12/2010		Countries	USD	103560	2.975
USRAS08004	India-China Cooperation of Environmentally Friendly Rural Cooking Stoves	C	27/10/2008	31/12/2009		GoISSIC	USD	8995	8.995

GLOBAL									
SFGLO02004	Operational Phase of the ICAMT	C	30/07/2002	31/12/2008	India	USD	1108268	1.108.268
SFGLO08009		O	2/05/2008	30/04/2013			600000	356.016
USGLO08010		O	25/08/2009	30/04/2013			530974	202.271
USGLO06015	Establishment of UNIDO Centre for South-South Industrial Cooperation	O	17/08/2006	31/07/2011	GoISSIC	USD	1203539	1.070.886
USGLO09015	From water mills to productive activities in remote areas: international water miller's conference, New Delhi, October 2009	O	23/06/2009	31/12/2010	India	USD	4596	4.568
USGLO10007	UNIDO-VIMTA South-South Training Facility for Testing Laboratories	O	14/03/2010	30/04/2012	GoISSIC	USD	241593	19.185
XPGLO06B27	Prog. Support for UNIDO	C	28/03/2007	30/06/2010	UNIDO	EUR	84049	83.906
XPGLO07018	Global agro-industrial forum (India, New Delhi, April 2008							

Annex E: Framework for Field Office Assessment

UNIDO Field Office Performance:
Generic Assessment Framework

Contents

7. Introduction

This document outlines a generic framework for the evaluation of UNIDO field office performance in the context of comprehensive country evaluations that also cover technical cooperation (TC) projects/ programmes and Global Forum activities. Adjusted to the requirements of a particular country evaluation, it should be incorporated with the TOR for that evaluation. A generic TOR for UNIDO country evaluations can be downloaded from the ODG/EVA intranet page.

It should be clearly noted that a field office assessment is a component of a larger country evaluation, and not a free-standing evaluation of its own. Embedded in a country evaluation that also assesses the implementation and results of TC projects/programmes and Global Forum activities, it focuses specifically on the role of the field office in UNIDO's operations in the country, including its contribution to TC management and delivery and Global Forum activities.

8. Background

2.1 UNIDO's field representation has been progressively transformed and strengthened since UNIDO was first established in 1966. Originally integrated with the field representation of UNDP and in part financed by UNDP, it now, in 2010, consists of 10 regional offices, 19 country offices, 18 UNIDO desks in UNDP offices, five UNIDO focal points operating from a counterpart institution, and one centre for regional cooperation. Altogether, UNIDO is represented in more than 50 countries around the world. Since the late 1990's, the field organization has been fully financed from UNIDO regular budgets, with some cost sharing and contributions by host governments.

The gradual expansion of UNIDO's field representation reflects changes within the UN-system towards closer cooperation of agencies at country level as well as a more general shift of development cooperation management and decision-making towards the country level. Field offices/desks are intended to make UNIDO more accessible to partner country clients and stakeholders, while helping UNIDO itself to ensure that its services are well tailored to partner country needs and priorities. They are also intended to facilitate interaction with the UN country-level teams and bilateral and multilateral donors. Field presence is regarded as a precondition for efficient participation in joint UNCT planning and programming, and is normally required for leading a joint UN programme initiative. In some cases it is also required by donors.

However, the expected returns on investments in UNIDO's field representation do not come by themselves. Some field offices turn out to be more useful to UNIDO and partner countries than others, and some field offices are more efficient in, for instance, funds mobilization, than others. An assessment conducted by the Office of the Comptroller General of UNIDO in 2004 found that field offices generally spent relatively little time and effort on coordination with the local UN team, although UN country level integration was already at that time a UN priority issue.[41] It also found

41 Report on the Assessment/Evaluation of UNIDO's Field Representation. Office of the Comptroller General. 2004. V.04-51638.

that while field offices gave much importance to supporting TC activities, they were often more concerned with the administration and monitoring of ongoing initiatives than with the development of new ones. Since identification and formulation were activities for which field offices were considered particularly well positioned, this was not quite expected.

A more recent evaluation that deals with the performance of UNIDO desks confirms that it can be difficult for UNIDO's field representation to live up to headquarter expectations.[42] Although for the most part quite positive in its assessments, it notices that in some respects objectives are not fully achieved. With regard to facilitating access of stakeholders to UNIDO expertise, for example, the performance of the UNIDO desks is said to be uneven, and a similar assessment is made of desk contributions to the implementation of TC projects. According to the evaluation, these shortcomings in desk performance are to a large extent due to a mismatch between a very demanding set of responsibilities and the limited resources made available for their fulfillment.

What all this goes to show is that the performance of UNIDO field offices needs to be continuously monitored and periodically evaluated in greater depth. The performance assessments for which this document provides generic guidance are intended to fill this evaluation gap. Field office assessments are expected to be useful one by one, but will also serve as inputs to a thematic evaluation. A thematic evaluation of field office performance will be conducted in 2011.

The present initiative belongs to a larger OSL/EVA initiative to provide evaluation support for ongoing efforts to strengthen UNIDO's field representation. As noted above, an evaluation of UNIDO desks were conducted jointly with the UNDP Evaluation Office in 2009. More recently, in 2010, an evaluation of UNIDO's Field Mobility Policy was published.[43]

9. Purpose

Field office assessments are assessments of the performance of field offices in performing their mandated functions and achieving stated objectives. Conducted as part of more comprehensive country evaluations, a field office assessment focuses specifically on the contribution of the field office to the implementation and results of UNIDO activities in the country. It is an organizational or functional assessment as opposed to a staff assessment focusing on individuals.

Like the country evaluation of which it forms a part, a field office assessment is intended to serve purposes of management, learning and accountability. It is expected to be useful to managers and staff at UNIDO headquarters who call on field offices for services or inputs as well as to the field offices themselves. It is also expected to be useful to UNIDO's governing bodies and to external partners interested in UNIDO's field representation.

10. Scope and focus

4.1. A field office assessment covers all the main functions of a UNIDO field office.

In case the field office is a regional office serving several countries, the assessment will not include all the activities for which it is responsible, but only those pertaining to the country in focus.

The list of field office responsibilities presented below is based primarily on the following documents: UNIDO's Secretariat Structure 2010, UNIDO/DGB/(0).95/Add 7. dated 26 February 2010; UNIDO's Field Representation, IDB. 37/6/Add. I, dated 20 April, 2010; and UNIDO's Guidelines on Technical Cooperation Programmes and Projects, August 2006.

The identified responsibilities and functions are;

- Formally represent UNIDO among clients and stakeholders as appropriate.
- Help create/increase knowledge about UNIDO among potential clients and other

42 Joint Terminal Evaluation of the implementation of the cooperation agreement between the United Nations Industrial Development Organization and the United Nations Development Programme. UNIDO Evaluation Group/UNDP Evaluation Office, 2009.

43 Process Evaluation of UNIDO's Field Mobility Policy. ODG/EVA/10/R.9, 20 April 2010

interested groups in the country in order to stimulate demand for UNIDO services. This is an important marketing function. In UNIDO's standardized format for field office (FO) work plans it is referred to as 'enhancing the visibility' of UNIDO and is one of five main field office outcome areas.

- Promote and facilitate Global Forum activities. The role of the field office can be that of a knowledge broker facilitating exchange of information and knowledge between national counterparts and stakeholders and transnational UNIDO networks. On the one side, the field office helps national stakeholders to get access to transnational knowledge networks. On the other side, the field office makes national expertise and experience accessible to transnational networks.
- Provide advice to national stakeholders in UNIDO's areas of expertise, as requested. To a large extent UNIDO advice flow through the channels of TC programmes/projects and specific Global Forum activities. However, advice can also be provided to national stakeholders, including the national government, through other types of contact and upon a direct request.
- Keep UNIDO headquarters informed of national developments in UNIDO's areas of specialization through continuous liaising with national counterparts and stakeholders as well as representatives of international development organizations.
- Contribute to the identification and formulation of new UNIDO TC projects/programmes. In cooperation with the Regional Programme, the field office gathers information relevant to the identification and formulation of new country programmes as well as of national or regional projects. It paves the way for the formulation mission both substantively and logistically. It is expected to play an important role in ensuring that the programme to be proposed to the national government is aligned with national priorities and can be incorporated within the wider UN assistance frameworks.
- Help mobilize resources for TC interventions from the national government, international donors, and other interested actors. Conducted with support of UNIDO headquarters, the participation of field offices in resource mobilization is especially important in countries where there is a joint financing mechanism for the UN-system and/or donors have decentralized funding decisions to the country level.
- Contribute to ongoing UNIDO TC activities in the country/region through monitoring and support to implementation and evaluation. In the monitoring of programmes, field offices should regularly review implementation status with counterparts and stakeholders, brief and debrief experts and consultants, attend review meetings, and report back to the programme team on accomplishments and the possible need for remedial action. At project level, the main FO task is usually to provide administrative, technical and logistic support to project managers and experts based at UNIDO headquarters. In some cases, however, projects are directly managed by FO staff members who are then also allotment holders. Field offices also provide support to evaluation missions.
- Contribute to gender mainstreaming of TC activities at all stages.
- Support UN integration at country level through active participation in the United Nations Country Team (UNCT), and contribute as appropriate to joint UN country-level initiatives (Common Country Assessments (CCAs), United Nations Development Assistance Frameworks (UNDAFs), Delivering as One (DaO), etc.). Act as champion of UNIDO thematic interests and UNIDO itself in the UNCT.

4.2. Field office assessments are not intended to replace the reporting by the field offices themselves on activities and results in accordance with their annual results-based management (RBM) work plans. While the RBM work plan and the monitoring of its implementation are integral elements of field office management, a field office assessment is an independent evaluation of field office functioning. In a field office assessment both the design and the implementation of the RBM work plan are assessed. The work plan's standardized causal logic of outputs and outcomes is regarded as a hypothesis to be interpreted and validated rather than an established fact.

In the standard framework for field office RBM work plans the following are currently (2010) the main outcomes:

1. UNIDO visibility enhanced at global, regional/sub-regional and country levels.
2. Responsiveness of UNIDO to national/regional priorities:
-TC programme and project development
-Fund raising

3. Effective participation in UN initiatives at country level, including UNDAF, PRSP, UNDG, One UN, etc.
4. Promoting Global Forum activities with direct link to UNIDO priorities and to the potential increase of UNIDO portfolio in the region and worldwide.
5. Effective management of technical cooperation activities and the UNIDO office.

Field office assessments should review the appropriateness of this categorization of outcomes and the rest of the standard work plan framework (outputs, indicators, etc.) for guiding the activities listed in section 4.1 above and reporting on their results. Questions regarding the appropriateness and actual and potential use of the work plan framework are included in the attached field office evaluation framework (Annex 1).

4.3. Field office assessments are also not intended to replace the audits performed by UNIDO's Office of Internal Oversight Services (IOS). While audits tend to focus on compliance with rules and regulations and the quality of internal controls, field office assessments focus more directly on the contributions of field offices to the achievement of UNIDO's development cooperation mandate. Financial control, contracts, procurement, travel and general administration are matters that typically belong to auditing. In field office assessments such matters may have to be taken into account as variables influencing technical cooperation (TC) delivery (efficiency aspects) and results (effectiveness aspects), but are not focal concerns in their own right.

11. Criteria and issues

5.1 Field office performance is assessed in relation to three evaluation criteria:

- Relevance
- Effectiveness,
- Efficiency

Sustainability and impact, which are standard criteria in projet/programme evaluations, are not considered relevant to field office assessments. Financial sustainability was one of the criteria for the evaluation of UNIDO desks mentioned above, but the evaluators concluded that since UNIDO desks were not expected to be self-financing it should not have been included.

The following paragraphs define the three criteria above and explain how they are intended to be applied in field office assessments. Standard evaluation questions relating to each of the criteria can be found in the attached field office evaluation matrix (Annex 1).

5.2. **Relevance** is defined in much the same way as in the OECD/DAC Glossary of Key Terms in Evaluation and Results Based Management. The main difference is that while the OECD/DAC definition refers to the relevance of a specific development intervention, a field office assessment is concerned with the relevance of a subdivision of a larger organization. In both the cases, however, relevance is a criterion for assessing the extent to which the evaluated unit matches the needs and priorities of its clients or target groups. Most of the questions about relevance in the attached evaluation matrix concern the extent to which field office services are consistent with needs and priorities formulated in the partner country PRSP and other national policy documents and are considered useful by national counterparts and stakeholders. There is also a question about the consistency of the field office work programme with UNIDO strategic priorities. Is the field office doing what it should, given UNIDO priorities in relation to the country in question?

5.3. **Effectiveness** is a criterion for assessing the extent to which an entity has achieved, or is likely to achieve, its objectives or fulfill its mandate. OECD/DAC defines it as 'the extent to which the development intervention's objectives were achieved, or are expected to be achieved, taking into account their relative importance.' In an assessment of field office performance, however, it is better understood as 'the extent to which an organization, or organizational unit, has achieved, or is expected to achieve its objectives or fulfill its responsibilities, taking into account their relative importance.' So defined, effectiveness refers to achievement of objectives and/or fulfillment of responsibilities in relation to most of the field office functions listed in section 4.1 above, including that of contributing to the effectiveness of TC projects/programmes.

Note that assessments of field office effectiveness should focus on the achievement of outcome-level results, rather than the performance of activities and the delivery of outputs. The key question is always the same: has delivered outputs been useful to clients or target groups as intended, and/or is it likely that they will achieve their intended effects in the future? In a field office assessment, the client or target group is in many cases another UNIDO functional unit for which the field office provides supportive services. In other cases, the client is a partner or stakeholder outside UNIDO.

In the attached evaluation matrix (Annex 1) the effectiveness criterion is applied to all the field office functions listed in section 4.1 above one by one. With regard to each of the functions there is a package of questions covering the following points:

- Activities and outputs: What has the field office actually done in relation to the function in question during the assessment period? What were the activities? What were the outputs? Who were the target groups or clients?
- Gender mainstreaming: How were gender equality issues taken into account by the field office in these activities?
- Performance monitoring: How has the field office monitored and measured the implementation and results of its own activities in relation to this function during the assessment period?
- Observed/inferred outcomes of field office outputs: What have been, or seem to have been, the outcomes of field office services for clients and target groups?
- Achievement of objectives/fulfillment of responsibilities: How do the observed/inferred outcomes for clients and target groups compare to intended outcomes? Are outcome-level results satisfactory in relation to field office mandates, plans and expectations?
- In case intended outcomes for clients and target groups were not achieved or mandates not fulfilled: What is the explanation for the gap between intended and achieved results?
- Ways by which the field office could make its operations pertaining to this function more effective, if required.
- Ways by which UNIDO headquarters could support field office efforts to make these operations more effective, if required.

An assessment of the overall effectiveness of a field office is a synthesis of function-by-function assessments that takes the relative importance of functions into account.

5.4. While effectiveness is about results, primarily outcomes, **efficiency** is about inputs and outputs and the relation between them. According to OECD/DAC, efficiency is 'a measure of how economically resources/inputs (funds, expertise, time, etc.) are converted to results.' As long as the word 'results' is taken to refer to outputs alone, this is an appropriate definition for field office assessments. Efficiency in this restricted sense is also known as input-output efficiency.

Since a field office provides a variety of services, most of which are non-standardized and difficult to measure, its efficiency in converting resources into outputs is not readily reduced to numbers and not easily compared to that of other field offices or other organizations. In large part, however, an assessment of field office efficiency is concerned with the quality of management systems and practices and the delivery of outputs according to plans, resources and budgets. It also covers efforts to achieve higher productivity, maintain or improve quality of outputs, and reduce the costs of resource inputs. The attached evaluation matrix includes standard questions (Annex 1).

5.5. An assessment of field office performance must be grounded in an accurate appreciation of field office capacity in relation to its mandate and resource endowment as well as to factors in the environment that may influence performance. The task of a field office assessment is not just to assess performance in relation to a set of standardized criteria, but to find explanations for differences in performance levels and constructively suggest remedies where performance seems to fall short of expectation and to identify good practices and benchmarks.

If a field office fails to achieve planned results, or does not achieve them well enough, it is perhaps because the objectives were unrealistic given the constraints of the local environment or the limitations of field office capacity. It may also be because the existing field office capacity is not well utilized, or it is perhaps due to a combination of all of these factors. Whatever the problem, it is the task of a field office assessment to come up with a useful and forward-looking diagnosis.

Similarly, when a field office is found to perform very well, a field office assessment should not be content with putting its achievements on record, but should try to identify factors explaining the good performance and draw conclusions that can be usefully applied elsewhere.

12. Approach and methodology

6.1. Field office assessments are part of country evaluations and should be planned and implemented accordingly. The evaluation team responsible for the country evaluation is usually also in charge of the field office assessment. Findings from assessments of TC project/programmes and activities pertaining to the Global Forum provide essential inputs to the field office assessment. Questions about field office contributions to TC interventions or Global Forum initiatives cannot be adequately answered without prior assessments of these activities themselves.

6.2. Field office assessments are conducted with the active participation of field office staff. They begin with a self-evaluation where field office staff members are asked to describe the functioning of the field office and make their own assessments of results in relation to the evaluation criteria explained above. In a second step the results from the self-evaluation are used as a platform for discussions between the FO staff and the evaluation team.

6.3. Data for field office assessments are also collected from actual and potential recipients of field office services inside and outside UNIDO. Since field offices are service organizations, opinions regarding the usefulness of their services to clients, as well as information on actual client satisfaction with services rendered, are essential for assessments of field office performance.

6.4. The selection of clients or target group representatives to be interviewed in connection with a field office performance assessment is made by the evaluation team in accordance with the requirements of the case at hand. The evaluation team is also responsible for other aspects of the evaluation methodology. A description of the proposed methodology should be included in the country evaluation inception report.

Annex F: Interview Guidelines

Guiding questions in line with evaluation criteria:

- Was the design of the Country Service Framework (CSF) relevant, and is it still to date, at mid term (relevance)?
- To what extent were/are the local stakeholders involved (ownership)?
- Were things done right, what are the results and outcomes and are they likely to last (efficiency, effectiveness, impact and sustainability of interventions)?
- Which conclusions and recommendations can be made and which lessons can be learned for the remainder of the programme life/eventually thereafter?

NB:

- **keep in mind that (i) this is mid term evaluation, (i) some of the projects were ongoing and evaluated in 2006, so need to assess what happened in period 2007 to date as regards ongoing projects (incl. if and how recommendations of prior evaluation were addressed) and if results/impact was sustained (as regards projects meanwhile closed)**
- **questions to be adapted as appropriate to the different stakeholders, components and projects**

Relevance and ownership ***Assessment with respect to the needs and priorities of India : did/do the interventions correctly address the identified problems and real needs as reflected in the CSF document and are they still relevant to date (during implementation) ? To what extent are the local stakeholders the owners of the outputs (design phase) and of the achievements (implementation phase)?***			
	Strong points	*Points for improvement*	*Lessons/suggestions for the evaluation mission (additional documents or additional meetings/issues for remainder of CSF life and beyond as regards the UNIDO-India cooperation*
➢ Relevance with respect to the socio-economic context/industrial sector related policies and strategies?			
➢ Relevance regarding poverty reduction efforts? Are activities/results linked to MDGs and how?			

➢ Relevance for the target group(s) and justification of the intervention			
➢ Role of local partners (public/private) in the design of interventions? Who has played/plays what role in design/implementation? Any changes since the start of the CSF in terms of institutional and operational anchorage of interventions?			
➢ Assessment of design of programme/projects (logical framework, strategy ; lessons learned from prior assistance in India or elsewhere ?)			
➢ Any change in strategy since the start of implementation ?			
➢ What was/is the role of local partners in funds mobilization?			
➢ Relevance with respect to UNDAF priorities			
Efficiency : ***assessment how well the resources/inputs (funds, expertise, time) have been/are transformed into the intended results in terms of quantity, quality and timeliness ?***			
➢ Assessment of UNIDO inputs/activities : quantity, quality, delays, cost (expertise ; training ; methodologies ; utilization of the budget ; procedures) ; link between field office and HQ			
➢ Quality of management and monitoring (field and HQ) ; supervision (steering committee) ; monitoring system/auto-evaluation, tools used ; reporting on progress and discussion/ diffusion of reports ; periodic meetings			
➢ Counterpart contributions			
➢ Synergies/complementarities with other UNIDO interventions (India/elsewhere), with other partners, programmes and projects (India/elsewhere) and effects thereof on programme efficiency			
Effectiveness and impact : ***assessment to what extent the programme/project results (short and medium term) are used/what difference they make in practice to clients and beneficiaries***			
Short term results			
➢ Photography of results			
➢ Evolution since start of CSF			
➢ Variations comparing enterprises of different size/different regions; obstacles)?			

➢ Capacities developed/strengthened			
➢ Unforeseen short term results ?			
Medium term results			
➢ Results at level of policies, strategies, specific measures			
➢ Results beyond the target groups (effects on other enterprises in same sector/other sector/on other institutions than the ones targeted)?			
➢ Unforeseen medium term results ?			
Sustainability : ***assessment to what extent the results and outcomes will likely continue after the ending of external funding/probability of continued longer-term benefits***			
➢ Probability of continuation of interventions beyond the support of UNIDO? By which national/regional/local institutions? Following the same approach or likely subject to changes?			
➢ Are there any risks as regards the continuation of activities?			
Summary of strong points and of points for improvement			
Strong points : achievements and key factors having contributed to results			
Points for improvement : main constraints/obstacles/problems faced in interventions and risks as regards future			
Recommendations			
For the continuation of the evaluation mission (additional documents/meetings needed, specific issues to be deepened			
As regards the continuation/follow-up of UNIDO-India cooperation			

Printed in Austria
ODG/EVA/10/R.36 – June 2011 – 80

UNITED NATIONS INDUSTRIAL DEVELOPMENT ORGANIZATION
Vienna International Centre, P.O. Box 300, 1400 Vienna, Austria
Telephone: (+43-1) 26026-0, Fax: (+43-1) 26926-69
E-mail: unido@unido.org, Internet: www.unido.org