



1. Project Data

Project ID

P121263

Project Name

China GEF City Cluster Eco-Transport

Country

China

Practice Area(Lead)

Transport & ICT

L/C/TF Number(s)

TF-99421

Closing Date (Original)

30-Jun-2015

Total Project Cost (USD)

25,050,000.00

Bank Approval Date

29-Mar-2012

Closing Date (Actual)

30-Jun-2016

IBRD/IDA (USD)
Grants (USD)

Original Commitment

4,800,000.00

4,800,000.00

Revised Commitment

4,527,067.17

4,527,067.17

Actual

4,527,067.17

4,527,067.17

Prepared by

Victoria Alexeeva

Reviewed by

John R. Eriksson

ICR Review Coordinator

Christopher David Nelson

Group

IEGSD (Unit 4)

2. Project Objectives and Components

a. Objectives

According to the Global Environment Facility (GEF) Grant Agreement dated May 18, 2012, the project development objective (PDO) was to assist the Government of China in enhancing transport efficiency, energy saving and CO2 emission reduction, by promoting and demonstrating multi-modal transport integration in city clusters (GEF Grant Agreement No. TF099421, p.5).

The PDO statement in the Project Appraisal Document is identical (PAD, p.5).

The Global Environment Objective is the same as the PDO statement.



b. Were the project objectives/key associated outcome targets revised during implementation?

Yes

Did the Board approve the revised objectives/key associated outcome targets?

No

c. Will a split evaluation be undertaken?

No

d. Components

1. China City Cluster Eco-Transport Development Strategic Planning (estimated GEF grant allocation US\$2.25 million and counterpart fund US\$0.35 million; total actual US\$1.7 million). This component aimed to support consultant services to help the Ministry of Transport analyze the emerging transport patterns and issues of city clusters; propose multi-modal integrated transport strategies, policies, regulations, institutional framework and coordination mechanism; and develop technical guidelines for city cluster integrated transport planning and multi-modal passenger terminal design.

2. Pilot Demonstration in Changsha-Zhuzhou-Xiangtan (CZT) City Cluster (estimated GEF grant allocation US\$1.3 million, counterpart co-financing US\$27.27 million; actual total US\$29.02 million) aimed to support the following activities: a) provision of technical assistance for transport integration planning and implementation plan in CZT City Cluster, including the Strategic Environmental Assessment (SEA) at the planning level; b) provision of technical assistance for (i) design of integrated multi-modal transport terminals in CZT City Cluster, and (ii) design and supervision of customer satisfaction survey; and c) construction of two multi-modal passenger terminals and installation of Smart Transport Management System and electric bus charging facilities for pilot demonstration. During the project restructuring in 2014, two new TA activities were added under this component to support integrated transport planning studies in two additional city clusters, namely Chengdu-Chongqing (ChengYu) and Beijing-Tianjin-Hebei (JingJinJi).

3. Capacity Building (estimated GEF grant allocation US\$0.95 million and counterpart fund US\$1.20 million; actual US\$2.62 million). The component aimed to support training and capacity building activities that included technical advisory services for passenger demand model development and dissemination; carrying out workshops for knowledge and idea exchange and CZT City Cluster experience dissemination; and training on multi-modal integrated transport planning, institutional development for integrated transport management, among other areas.

4. Project Management (estimated GEF grant allocation US\$0.3 million and counterpart fund US\$0.5 million; actual US\$0.9 million). The component included provision of support to the Project Management Office (PMO) to implement, supervise and manage the project.

e. Comments on Project Cost, Financing, Borrower Contribution, and Dates

Project cost: The actual project cost was US\$34.24 million, close to its estimated amount of US\$34.12



million at appraisal.

Bank financing: The Global Environment Facility (GEF) Grant of US\$ 4.8 million disbursed at US\$4.53 million at closure. US\$0.27 million (5.6% of the Grant) was not spent. There was no co-financing.

Recipient contribution: The Government of China contributed with US\$29.7 million of counterpart funding, that was close to the committed amount of US\$29.3 million at appraisal.

Dates: The project closing date was extended once by 12 months from June 30, 2015 to June 30, 2016 due to delays resulting from the slow pace in implementation and procurement. In addition to the extension, the following changes were made to the components during project restructuring in December 2014: (i) technical assistance for developing guidelines for multi-modal passenger terminal design was dropped from Component 1, and (ii) two new TA activities were added in Component 2 to support integrated transport planning studies in two additional city clusters, namely Chengdu-Chongqing (ChengYu) and Beijing-Tianjin-Hebei (JingJinJi). The results framework was revised to reflect the changes, and Component 2 was re-named to "Pilot Demonstration in Chinese City Clusters" (Restructuring Paper, p.7).

3. Relevance of Objectives & Design

a. Relevance of Objectives

The objectives were aligned with the priorities of the Government aimed at reducing energy use and CO2 emission that accompanied the country's rapid economic growth. These strategic directions were reflected in China's 12th (2011-2015) and 13th (2016-2020) Five-Year Plans. At appraisal, the transport sector accounted for more than 38% of crude oil consumption, and CO2 emissions from transport were estimated to reach 1.1 billion tons in 2030, up from 290 million tons in 2004. In 2007, the National Development and Reform Commission designated a Changsha- Zhuzhou- Xiangtan (CZT) City Cluster in Hunan Province to be a pilot experiment region for the development of a resource-saving and environmentally friendly society. Under the strategic framework, the Hunan Provincial Government was determined to develop or re-develop a number of multi-modal passenger terminals and logistics centers in CZT as a crucial task of integrating the individual modal systems to better improve transport efficiency (PAD, p. 3-4).

The objectives were in line with the current World Bank Country Partnership Strategy FY13-16 that supported greener growth through shift to a sustainable energy path and promotion of low carbon urban transport. The CPS and this project are consistent with the GEF-5 (2010-2014) strategy in the climate change focal area to promote energy efficient, low-carbon transport and urban systems.

Rating
High

Revised Rating
Not Rated/Not Applicable

b. Relevance of Design



The statement of the objectives was clear, albeit ambitious given the relatively small size of the project that included mainly technical assistance (TA) and the construction of two multi-modal passenger terminals in one city cluster. The physical investments in construction of two multi-modal terminals (under Component 2) selected in a Changsha, Zhuzhou, Xiangtan (CZT) City Cluster in Hunan Province were to lead to the reduction in annual transport CO2 emissions of local trips via the project terminals. The terminals were selected as pilots to demonstrate how a better-designed terminal would attract more passengers to shift from the use of private vehicles towards public transport. Technical assistance in formulation of policies, strategies, development of technical guidelines for city cluster multi-modal transport planning and capacity building (under Components 1 and 3) were expected to lead to GHG mitigation through local implementation of the policies and strategies and adoption of technical guidelines (PAD, Annex 7).

The causal links between project interventions and the objectives were mostly logical; the results framework, however, lacked the outcome criteria to capture enhanced transport efficiency and energy saving.

Rating
Substantial

Revised Rating
Not Rated/Not Applicable

4. Achievement of Objectives (Efficacy)

Objective 1

Objective

Enhance transport efficiency by promoting and demonstrating multi-modal transport integration in city clusters.

Rationale

Outputs

Physical investments

- The multi-modal passenger terminals were constructed, as planned: Lituo Terminal was completed in April 2014 and Western Changsha Terminal in October, 2015. Lituo passenger terminal, located at the south-east side of Changsha that is adjacent to the Changsha South Railway Station, is fully integrated with other passenger transport mode terminals/stations in the Lituo hub, including high-speed rail station, bus terminal, Metro stop, taxi and passenger cars. The western Changsha terminal, located in the Yuelu district, west of Changsha city, integrates long-distance coach, metro, urban bus, and taxi.

Technical assistance

- Integrated eco-transport strategic planning guidelines were developed as targeted, i.e., 'A Study and Practice on China City Cluster Integrated Ecological Transport Planning Guideline,' was approved by MOT and published as a book in June 2016 in China.



- Multi-modal passenger terminal design guidelines were dropped under this project and completed under another GEF project (P127036).
- A report “Eco-transport development strategies for city clusters” was prepared and approved by the MOT expert panel.
- A CZT Comprehensive Transport Integration Implementation Plan was prepared and adopted for the CZT city cluster by the Hunan province transport department.
- Chengdu-Chongqing (ChengYu) City Cluster Integrated Transport Plan was developed early 2016 and approved by MOT panel and the transport authorities in Chengdu and Chongqing.
- Beijing-Tianjin-Hebei (JingJinJi) City Cluster Transport Integration Plan was developed in 2016 and approved by MOT panel and the transport authorities in Beijing, Tianjin and Hubei.
- The method for evaluation of CO2 emission reduction of integrated transport hubs used in this project was published in a book in June 2016 in China. The project website began operating in Nov 2013 and transport news related to the GEF project are updated. The website is at:
<http://zizhan.mot.gov.cn/zhuantizhuanlan/qita/quanqihuanjingjijin/>
- 10 workshops were held for eco-transport knowledge exchange, above the targeted 5. The participants included government officials, transport professionals from design institutes, consulting companies, and academia. A total number of attendees was 1,060. The project originally targeted to provide training to 150 central and local government officials, planners and designers in integrated transport policy, planning and design. It is not clear if this was accomplished.

Outcome

Physical investments

- The construction of two multi-modal terminals facilitated a more efficient integration of different public transport modalities. The benefits included less transfer time, greater transfer convenience and better information services at terminals. The target for the level of passenger satisfaction was reached for the use of multi-modal terminals, which was 4.3 for the Lituo hub and 4.4 for the Western Changsha terminal. This was higher as compared to the average of 3.7 for the selected comparators in China (i.e., Chengdu eastern passenger terminal and Harbin western passenger terminal). The level of satisfaction was measured through responses on transfer distance, ticketing service, baggage service, waiting hall, information service, and other services (satisfaction surveys were conducted in 2015 and 2016). In addition to improvements in the quality of services, transport efficiency was enhanced due to reduction in transfer time (surveys) as well as a mode shift from private vehicles to public transport, in particular at the Lituo terminal (see specific data below under Objectives 2 and 3), and usage increase of the transit hubs (after the terminals opening the number of users at Lituo increased from 48000 to 110000 and at Changsha from 72000 to 85000 daily passengers).

Technical assistance

- Comprehensive eco-transport planning guidelines were adopted and included in the multi-modal strategies in the participating city clusters. According to the project team, the city cluster transport planning



methodologies have been put into use in new city clusters in China, including Beijing-Tianjin-Hebei, Chengdu-Chongqing (ChengYu) city cluster, and Changsha-Zhuzhou-Xiangtan (CZT) city cluster.

Rating

Substantial

Objective 2

Objective

Enhance energy saving by promoting and demonstrating multi-modal transport integration in city clusters.

Rationale

Outputs are the same as under Objective 1.

Outcome

With regard to energy saving, there was no direct outcome indicator identified to measure energy savings. There was a significant mode shift from private cars to public transport, in particular at the Lituo terminal, where the share of public transport increased from 36% to 80% and an additional 4% for non-motorized transport (NMT), significantly above the projected 41%. At the Changsha West terminal, the public transport mode share increased from 80% to 85% and an additional 2% for NMT, from the projected 82.8%. The project emission factors per passenger per km were pre-determined in the baseline scenario, with reference to the tool to calculate project or leakage CO2 emissions from fossil fuel combustion (PAD, Annex 7-GEF GHG emission reduction calculation). The amount of fuel and the net caloric value of each type of fuel were not measured. While the increase in public transport mode share would imply enhanced energy efficiency per passenger-kilometer, for lack of measurement and direct evidence of energy savings, the achievement of this sub-objective is rated modest.

Rating

Modest

Objective 3

Objective

Reducing CO2 emission by promoting and demonstrating multi-modal transport integration in city clusters.

Rationale



Outputs

The multi-modal passenger terminals were constructed, as planned: Lituo Terminal was completed in April 2014 and Western Changsha Terminal- in October, 2015 (mentioned above under Objective 1).

Outcome

The reductions in CO2 emissions estimated from the reconstruction of two terminals exceeded the target of 5% tenfold. Compared to business-as-usual (BAU) scenario, CO2 reduction of local trips via the two terminals was estimated at 40,369 tons, representing 49% reduction (the targeted 5% reduction of BAU 76,027 tons for CO2 emissions of local trips are 3,801 tons). The methodology to estimate the reduction of CO2 emissions was based on the total passenger volume, transport mode shares, and the trip length. It was expected that the improvement of the transfer experience in Western Changsha and Lituo Terminals would result in GHG emission reduction at the local level when travelers arriving/departing these two terminals would shift to public transport from private car/taxi, for their travel legs to/from their destination/origin in Changsha (PAD, Annex 7). The methodology was updated to account for the use of natural gas by taxes in recent years. At completion, the target was over exceeded due to the significant mode share shift toward public transport of local trips at the Lituo terminal. According to the information obtained by the project team, the taxi share dropped from 34% to 8% and the private vehicle share dropped from 30% to 9% at the Lituo terminal. The taxi/private car shares for the Western Changsha hub reduced from 12%/8% to 8%/5% accordingly. At the Lituo terminal, the mode share of public transport increased from 36% to 80% and an additional 4% for non-motorized transport (NMT), significantly above the projected 41%. At the Changsha West terminal, the public transport mode share increased from 80% to 85% and an additional 2% for NMT, from the projected 82.8%.

Rating
High

5. Efficiency

Economic or Financial Analysis

An economic analysis was not carried out at appraisal for the GEF supported technical assistance and consultancy services. Feasibility studies were carried out for the construction of two multimodal passenger terminals through counterpart funds (outside the project) that included the forecast of passenger trips using the terminals and the financial analysis of the terminal investment. According to the feasibility study, the **Lituo High-Speed Rail Station**, which had been in operation for two years prior to reconstruction, served around



7,500 passengers a day, 36% of whom made a transfer to/from buses. The financial analysis was carried out for the terminals that compared the financial revenues associated with passenger services and other purposes, with the total investment costs for the terminal. The total revenues of the terminal included revenues from ticketing and passenger terminal services (usually set by regulation at 10% of the ticket prices), and leasing revenues for commercial and office spaces. The financial internal rate of return was estimated at 7.15%, and the repayment period was 13 years (including 2 years for construction).

The **Western Changsha Terminal** was a re-development from the terminal to accommodate the required integration with urban rail development. The terminal carried 24,000 passengers on a normal working day on average and 65,000 passengers on a weekend day or a national holiday in 2008. More passengers were expected with the re-development that would include a station of a new urban underground rail line. It was also expected that the urban rail line would lead to high density residential and commercial development around the area adjacent to the terminal, and thus passengers to the terminal. It was estimated that the re-developed terminal would carry 50,000 passengers per day when completed. Similar to the Lituo Terminal, the Western Changsha Terminal was designed to include commercial and office spaces. The financial internal rate of return was estimated at 6.85%, and the repayment period was 14 years (including 2 years for construction).

At closure, neither economic nor financial analyses were done for the construction of terminals at closure. The ICR did a cost effectiveness analysis comparing the GEF grant with another GEF project based on the estimated project benefits relative to investments and the GEF grant amount. This GEF project's benefits resulting from the reconstruction of two multimodal terminals were annual reduction in CO2 emissions estimated at 40,369 tons at a cost of US\$43.95/ton (assuming 30-year lifetime of the terminals at 5% interest). The calculations, based on estimation of the marginal abatement cost (MAC) efficiency relative to investments, used a 10-year lifetime and estimated of CO2 at US\$67.55/ton (if the costs are discounted at 3%, MAC is US\$79.2/ton). These amounts were less than the US\$246/ton for MAC in another GEF project (TF-92489). The calculation relative to the grant amount that assigned one-third of a grant to the city cluster (US\$1.53 million) estimated the grant efficiency at US\$3.79/ton. This is slightly less than the \$4.14 in a comparator GEF project.

Administrative and operational efficiency

The project closing date was extended by one year. This was largely due to complete the TA activities, which started late in project implementation period as a result of delays in procurement and project restructuring due to duplication of some of the TA activities with another GEF project (see section 8b below for more information). The reconstruction of two terminals was completed timely and within budget. In summary, owing to minor to moderate shortcomings, efficiency is rated substantial.

Efficiency Rating

Substantial



- a. If available, enter the Economic Rate of Return (ERR) and/or Financial Rate of Return (FRR) at appraisal and the re-estimated value at evaluation:

	Rate Available?	Point value (%)	*Coverage/Scope (%)
Appraisal		0	0 <input type="checkbox"/> Not Applicable
ICR Estimate		0	0 <input type="checkbox"/> Not Applicable

* Refers to percent of total project cost for which ERR/FRR was calculated.

6. Outcome

The relevance of objectives is assessed as high, while that of design is assessed as substantial. The construction of two multi-modal terminals in Changsha, Zhuzhou and Xiangtan (CZT) city cluster in Hunan Province facilitated a more efficient integration of different public transport modes, resulting in substantial achievement of the first sub-objective of enhancing transport efficiency, as evidenced by surveys results, a significant mode shift from private cars to public transport, in particular at the Lituo terminal, and increase in the usage of both terminals. For lack of measurement and direct evidence on energy savings, the efficacy of the second sub-objective is rated modest. The efficacy of the project's third objective of CO2 emission reduction at the selected two terminals is rated high due to significant overachievement of the 5% target. Efficiency is rated substantial due to minor to moderate shortcomings.

a. Outcome Rating

Satisfactory

7. Rationale for Risk to Development Outcome Rating

Financial. The ICR does not address operation and maintenance (O&M) arrangements for the constructed terminals. The ex-ante estimated financial returns were positive based on the assumptions of an additional revenue flow from leasing commercial and office spaces.

Government commitment. The project helped to develop the concepts and tools to develop plans that reduce carbon emissions. MOT and local officials were committed to advancing a sustainable urban transport agenda.

Institutional capacity. Inter-agency coordination and technical capacity still required further strengthening for multi-modal planning and land-use infrastructure management in city-clusters.

a. Risk to Development Outcome Rating

Modest



8. Assessment of Bank Performance

a. Quality-at-Entry

Project design was built on the Bank's extensive knowledge and experience in urban transport in China, including Hunan Province. Safeguard and financial management arrangements were adequate. With regard to the assessment and mitigation of risks, the Bank team overestimated the PMO capacity and insufficient experience as well as its commitment to the project. The difficulty to find technical consultants to help coordinate multi-modal planning was underestimated. The M&E design lacked the outcome criteria for enhanced transport efficiency and energy savings of the project development objective.

There was a delay in project approval that resulted in cancellation of several technical activities planned under the project, as the MOT wanted to move quickly with the construction of terminals and engaged individual consultants to review the terminals' designs through its own funds and funds from the Project Preparation Grant.

Quality-at-Entry Rating

Moderately Satisfactory

b. Quality of supervision

Supervision missions were regular; 8 implementation status reports (ISRs) were filed during a 4-year project duration. The Grant funds disbursed slowly during the first three years of project implementation. A year after the project approval, in March 2013, another GEF project GEF Large Cities Congestion and Carbon Reduction Project (P127036) was approved that duplicated some TA activities of the project. It took two years to sort out the implications of the overlap and restructure the project to cancel a duplicate technical assistance consultancy and transfer these funds and those for the design of terminals in CZT City Cluster that were no longer needed to support studies in two new city clusters, ChengYu and JingJinJi. The project was extended for a year to complete the TA activities. The Bank team was proactive after project restructuring starting to work closely with the PMO to rewrite the TORs and hired qualified technical individual consultants to develop PMO capacity, as well as to review and comment on the TA reports.

Quality of Supervision Rating

Moderately Satisfactory

Overall Bank Performance Rating

Moderately Satisfactory

9. Assessment of Borrower Performance

a. Government Performance

The Government demonstrated commitment to the project during preparation. Due to delays in project



approval, the counterpart provided their own funds for completing the pilot terminal designs and a review activity early so that their construction could begin as scheduled. There were initial lapses to instruct the PMO after effectiveness in coordination of the two GEF projects and in project implementation. After project restructuring, the Government showed leadership in ensuring the project's achievement towards its development objectives. Counterpart funds were provided in a timely manner.

Government Performance Rating

Satisfactory

b. Implementing Agency Performance

The Ministry of Transport (MOT) was responsible for procurement through the Project Management Office (PMO) and for coordinating the construction of terminals financed by the counterpart funds from the Hunan Department of Transport (DOT). Due to the PMO's insufficient experience and technical capacity in multi-modal planning at the beginning of the project, there were difficulties to refine TORs in detail and find qualified consultants for multi-modal transport-land use planning and interjurisdictional experience. The initial slow start and lack of commitment to the project led to disbursement delays, including subsequent delays in processing the project restructuring to address an overlap with another GEF project, which the PMO was also responsible for. However, after the initially slow pace of implementation, the PMO ensured completion of technical activities, and with the overall oversight of the construction of the pilot terminals at Changsha in compliance with Bank fiduciary and safeguard policies, ensured the achievement of the project development objectives.

Implementing Agency Performance Rating

Satisfactory

Overall Borrower Performance Rating

Satisfactory

10. M&E Design, Implementation, & Utilization

a. M&E Design

The outcome indicators included the reduction of CO2 emissions in local trips in the two pilot terminals by a conservative 5% than business as usual, and passenger satisfaction for the use of terminals, which largely measured the quality of services. There was no outcome criteria to measure energy savings that the project aimed to achieve.

The method for calculating CO2 reduction for multi-modal transport terminals was developed at appraisal. The total CO2 emissions were related to the total passenger volume, transport mode shares, and the trip length. The same emission factors were used to generate the CO2 emissions for the business-as-usual scenario at project completion with updated project induced forecasts in passenger volumes and modeled changes in passenger behavior. The methodology captured the impact of terminals on mode choice and public transport



use; it did not consider the CO₂ emissions from the terminal construction and operations, and changes in adjacent land uses.

b. M&E Implementation

The PMO closely monitored and reported on the M&E indicators. For passenger satisfaction, two survey rounds were conducted in 2015 and 2016 by the PMO at both pilot terminals during the normal operation after construction.

c. M&E Utilization

M&E was used for reporting on the project progress and results. The CO₂ reduction methodology was published under the project. Similar methods for calculating CO₂ emissions reduction (based on surveys related to transport demand and mode share) were used in other city clusters in China (ICR, p.9-10).

M&E Quality Rating

Modest

11. Other Issues

a. Safeguards

The project was classified as Category B based on environmental screening and assessment (OP4.01 Environmental Assessment) due to its limited scale of civil works and anticipated environmental and social impacts associated with the Lituo Terminal and Western Changsha Terminal (PAD, p.12). One more safeguard policy was triggered at appraisal: OP4.12 Involuntary Resettlement.

Environmental Assessment. The ICR (p.10) reports that the Environmental Management Plan (EMP) implementation performance for two terminals was satisfactory. Mitigation measures were carried out to minimize construction related impacts such as dust, air pollutants, noise, solid waste, and wastewater management. Occupational health and safety concerns were properly addressed. Contractors provided channels to local communities for public communication. No complaints from affected communities were made.

Involuntary Resettlement. A Resettlement Action Plan (RAP) was prepared for Western Changsha Hub for the acquisition of 18 mu of rural land and relocation of 65 urban and 54 rural households. A due diligence review was prepared during project preparation for Lituo Hub since it was built on the site of the High-Speed Train Station. The RAP for the Changsha transport terminal was prepared. Post-project interviews with affected people confirmed that compensation rates, procedures, and the consultation process for land acquisition and resettlement of Lituo Terminal and Changsha Western Passenger Terminal were as



promised in the RAP. No complaints were received regarding project resettlement, attributable in part to the compensation policies of the Changsha City Government. The ICR (p.10) reports that data from the RAP external monitoring report show that income levels of the affected people increased after land acquisition and resettlement due to the additional lease income from the compensation apartments, and income growth for working at terminals compared to farming.

b. Fiduciary Compliance

Financial Management. The GEF grant and oversight of the Designated Account were managed by the MOF. The Bank carried out a financial management capacity assessment prior to project appraisal and provided the FM Manual and training to standardize financial management and coordination between the PMO and the Hunan DOT that built the terminal and managed the counterpart funds in Changsha. Timelines of submission of interim unaudited financial reports (IUFRs) gradually improved. The ICR (p.10) reports that the audit reports were submitted on time and no material issues were noted.

Procurement. As reported by the ICR (p.10), the Government's and Bank's procurement procedures and provisions in the Grant Agreement for the project were followed. There were procurement delays up to the project restructuring in December 2014.

c. Unintended impacts (Positive or Negative)

d. Other

12. Ratings

Ratings	ICR	IEG	Reason for Disagreements/Comment
Outcome	Satisfactory	Satisfactory	---
Risk to Development Outcome	Modest	Modest	---
Bank Performance	Satisfactory	Moderately Satisfactory	Both Quality at Entry and Supervision are rated moderately satisfactory due to delays in project approval that resulted in cancellation of some TA activities,



			weaknesses in M&E design, and duplication of a project TA activity with another GEF project that took two years to restructure.
Borrower Performance	Satisfactory	Satisfactory	---
Quality of ICR		Modest	---

Note

When insufficient information is provided by the Bank for IEG to arrive at a clear rating, IEG will downgrade the relevant ratings as warranted beginning July 1, 2006.

The "Reason for Disagreement/Comments" column could cross-reference other sections of the ICR Review, as appropriate.

13. Lessons

Two lessons are selected by IEG from a longer list presented by the ICR, with some adaptation of the language:

- **It is important to support strengthening capacity for consultant procurement in TA projects.** Under this project, delays in appointing consultants for TA consultancies affected project completion. The lack of experience of the PMO in complex consultancies caused delays in procurement. It is the responsibility of the Bank to provide training for TA assignments during preparation, including assistance to write the TORs.
- **Effective communication among project participants at the national and local level is necessary for project success.** Under this project, the IA was setup at the national level without a local PIU. The national PMO had effective communication with the local authorities (in this case the developers of the two hubs) to avoid disengagement from ownership. But, ineffective communication between the PMO and the MOF contributed to a delay in project restructuring request.

14. Assessment Recommended?

No

15. Comments on Quality of ICR

The overall ICR is concise. The level of detail on the issues in project design and implementation is adequate. Lessons are derived from the project experience. The section on efficacy of sub-objective 1 (Achievement of



the GEO/PDO) is sparse, lacking data and evidence on the achievement of the project development objectives, in particular related to enhanced transport efficiency and energy savings. The section is descriptive, not analytical; it provides just references to the outcome indicators in Section F- Results framework. It also lacks important details on the methodology for the estimation of GHG reduction and insights on the reason for a large difference between the target and the actual achievement. Additional information had to be requested from the project team. The M&E section is detailed, however it would have benefitted from a more critical assessment of the lack of outcome criteria for enhanced energy savings stated in the PDO. Overall, the report should have been more candid in its analysis.

a. Quality of ICR Rating

Modest