

PD-ABA 290

04319

## A.I.D. EVALUATION SUMMARY - PART I

1. BEFORE FILLING OUT THIS FORM, READ THE ATTACHED INSTRUCTIONS.  
 2. USE LETTER QUALITY TYPE, NOT "DOT MATRIX" TYPE.

### IDENTIFICATION DATA

<b>A. Reporting A.I.D. Unit:</b> Mission or AID/W Office <u>USAID/Manila</u> (ES# _____)		<b>B. Was Evaluation Scheduled in Current FY Annual Evaluation Plan?</b> Yes <input checked="" type="checkbox"/> Slipped <input type="checkbox"/> Ad Hoc <input type="checkbox"/> Evaluation Plan Submission Date: FY ____ Q ____		<b>C. Evaluation Timing</b> Interim <input checked="" type="checkbox"/> Final <input type="checkbox"/> Ex Post <input type="checkbox"/> Other <input type="checkbox"/>	
<b>D. Activity or Activities Evaluated</b> (List the following information for project(s) or program(s) evaluated; if not applicable, list title and date of the evaluation report.)					
Project No.	Project /Program Title	First PROAG or Equivalent (FY)	Most Recent PACD (Mo/Yr)	Planned LOP Cost (000)	Amount Obligated to Date (000)
492-0381	Technology Transfer for Energy Management (TTEM)	1985	6/90	5000	4900

### ACTIONS

E. Action Decisions Approved By Mission or AID/W Office Director		
Action(s) Required	Name of Officer Responsible for Action	Date Action to be Completed
1) Develop new implementation plan through the completion date of the project.	Wenceslao dela Paz, Office of Energy Affairs	March 15, 1989
2) Amend contract of long-term technical assistant contractor to provide additional funds.	Walter H. McAleer, OCD  Marilyn B. Buchan, CSD	March 30, 1989

(Attach extra sheet if necessary)

### APPROVALS

<b>F. Date Of Mission Or AID/W Office Review Of Evaluation:</b>			
	(Month) January	(Day) 26	(Year) 1989
<b>G. Approvals of Evaluation Summary And Action Decisions:</b>			
Name (Typed)	Project/Program Officer	Representative of Borrower/Grantee	Evaluation Officer
Signature	Walter H. McAleer	Wenceslao dela Paz	Dominic D'Antonio
Date	4/12/89	6/7/89	4/24/89

**ABSTRACT**

**H. Evaluation Abstract** (Do not exceed the space provided)

The evaluation of the Technology Transfer for Energy Management (TTEM) Project was undertaken in November 1988 by a two-person evaluation team who spent three weeks in Manila. This project is one of a number of energy conservation projects under the direction of the Office of Energy Affairs of the Government of the Philippines. Its major elements are technology demonstrations funded through a revolving loan fund and technical assistance, including training and information dissemination. The project effectively started some two and half years after the signing of the original loan and grant agreement. Therefore, at the time of this mid-course evaluation, the project is just getting off the ground in certain key respects. Specifically, at the time of evaluation, no loans under the DLF have been closed and its potential for promoting energy conservation has not been established. The evaluation does, however, analyze its demonstrated strengths and weaknesses. It discusses the problems of its integration into an overall strategy for energy conservation in the Philippines, the direction versus independence it needs, the emphasis needed in planning and marketing versus engineering, and strengths and weaknesses of the U.S. Contractor's support.

**COSTS**

**I. Evaluation Costs**

1. Evaluation Team		Contract Number OR TDY Person Days	Contract Cost OR TDY Cost (U.S. \$)	Source of Funds
Name	Affiliation			
Andrew Bullock	Louis Berger Intl., Inc.	PDC-0085-I-00-6097-00 24	33,405	Project
William Pugh	Checchi and Company	23		
2. Mission/Office Professional Staff Person-Days (Estimate) _____ 5 _____		3. Borrower/Grantee Professional Staff Person-Days (Estimate) _____ 18 _____		

## A.I.D. EVALUATION SUMMARY - PART II

### SUMMARY

J. Summary of Evaluation Findings, Conclusions and Recommendations (Try not to exceed the three (3) pages provided)  
Address the following items:

- |  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• Purpose of evaluation and methodology used</li> <li>• Purpose of activity(ies) evaluated</li> <li>• Findings and conclusions (relate to questions)</li> </ul> | <ul style="list-style-type: none"> <li>• Principal recommendations</li> <li>• Lessons learned</li> </ul> |
|--|--|

Mission or Office: USAID/Manila	Date This Summary Prepared: March 1, 1989	Title And Date Of Full Evaluation Report: TTEM Project Evaluation
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On May 31, 1985, the Philippine and U.S. Governments signed an agreement providing for \$3 million in loan and \$2 million in grant funds to provide technical assistance and a revolving investment loan fund through the Philippine private sector to induce first-time adoption in the Philippines of tested energy conservation technologies for industry and commercial buildings.

As a pioneering effort in financing demonstrations of energy conservation technologies to encourage their wide dissemination in a developing country, the TTEM project experience will be of particular interest and value to a broad audience in A.I.D., other donors, and other countries. It is important, therefore, that the project receive careful evaluation during its lifetime. For this evaluation, the Mission was interested to review the current status (accomplishments and plans) of the project, specifically (a) what each relevant organization is doing; (b) how it affects achievement of project goals; and c) how it could be improved (by reduction of impediments or implementation of new procedures and approaches).

This first evaluation of TTEM was carried out by a two-person team who visited Manila for three weeks. During this time, they undertook both their investigations and prepared a draft copy of their report. The team consisted of one engineer and a financial expert. The engineer concentrated on the technical aspects of the project while the financial expert investigated the financial viability of the Demonstration Loan Fund (DLF) program. They combined their efforts with respect to the organizational aspects of the project.

After an initial briefing by the Office of Energy Affairs (OEA) the evaluation team split, each member undertook to investigate in his own area through personal and telephone interviews. In addition, the team reviewed documents related to the project.

The evaluation report draws several conclusions and recommendations concerning whether the technologies being employed are directed towards meeting TTEM's basic objective of improving energy efficiency in the Philippines, whether the TTEM project is addressing the proper energy user audience and whether the marketing activities are directed towards TTEM project goals or merely reacting to the interests of a few users.

The conclusion of the evaluation team are: (a) the TTEM project appears to be searching for energy conservation measures to support, rather than focus on the pursuit of the technologies it has been mandated to pursue; (b) the demonstration loan fund (DLF) appears to provide adequate funds and an incentive to companies interested in taking advantage of the TTEM project, however, it appears to have lacked an effective marketing effort; (c) the project does not appear to have made a concerted effort to locate and develop the capabilities of equipment manufacturers and vendors; and (d) applications

for DLF loans thus far have come from some of the largest companies in the Philippines, which tend to benefit the least from a DLF loan, both in terms of spread and total interest cost savings.

In order to effectively implement the project the following principal recommendations were prepared by the evaluation team: (a) to draw up a revised plan for the development and implementation of the project which would include a definition of target industries and commercial building operators, a redefinition of target technologies, a revised implementation plan including the measures to be taken to achieve the stated goals, a realistic target in terms of the number of loans to be made, industries and technologies to be covered and total loan amount, and a reporting system and a regular internal review mechanism to assess achievement; (b) careful consideration should be given in the selection of a replacement for the current long-term U.S. technical advisor who is completing his current contract; and (c) the use of U.S. based short-term consultants should be reduced and greater reliance placed on the use of local consultants.

#### ACTING DIRECTOR'S SUPPLEMENTARY COMMENT

The two person team was divided in a number of judgements about the project. One member ~~saw~~ the project as relatively well-conceived but underperforming for reasons subject to correction or improvement. The other team member had real doubts about the validity of the design and hence the prospects for improved performance. These views were more evident in oral presentations than in the final written report. This evaluation summary reflects the written report.

JSBlackton 13June1989

## ATTACHMENTS

K. Attachments (List attachments submitted with this Evaluation Summary; always attach copy of full evaluation report, even if one was submitted earlier; attach studies, surveys, etc., from "on-going" evaluation, if relevant to the evaluation report.)

### Technology Transfer for Energy Management

Project Evaluation, November 1988  
Prepared by Louis Berger International, Inc.  
Washington, D.C.  
U.S.A.

## COMMENTS

### L. Comments By Mission, AID/W Office and Borrower/Grantee On Full Report

- 1) The evaluation fully meets the demands of the scope of work, answering comprehensively the questions posed.
- 2) In general, the evaluation report will be helpful in planning the future of the TTEM Project.
- 3) The combined evaluation team included a high level and scope of expertise, however, they had insufficient time to interview the TTEM staff or other resource persons to obtain a balanced view which led to some inaccuracies and hasty conclusions by the evaluation team. It is inevitable that they may have become strongly influenced in one individual interview or one side of an issue and then not have had adequate time to explore the entire question adequately. It is felt that a more balanced report would have been presented by the team if more time had been provided for discussion of the draft report with OEA and USAID.