FP132

Enabling Implementation of Forest Sector Reform in Georgia to Reduce GHG Emissions from Forest Degradation

Georgia

April 2025

Interim Evaluation Report

This report presents the Interim Evaluation of the Green Climate Fund (GCF)-funded project “Enabling Implementation of Forest Sector Reform in Georgia to Reduce GHG Emissions from Forest Degradation”. The evaluation was independently commissioned by the Accredited Entity (AE), Gesellschaft für Internationale Zusammenarbeit (GIZ), and submitted to GCF. GCF assumes no responsibility for the accuracy of the information in this report.

KNOWING WHAT WORKS

Central project evaluation

Green Transformation Georgia, Georgia

Project number 2020.2275.4, FP132

Mid-term Evaluation Report

On behalf of GIZ by Josef Seitz lead evaluator (Global21 Consulting) and Kakha Artsivadze, co-evaluator

Date of evaluation report: 29 April 2025
Published: 2025

giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Publication details

Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH is a federal enterprise and supports the German Federal Government in achieving its objectives in the fields of international education and international cooperation for sustainable development.

GIZ's Evaluation Unit reports directly to the Management Board. It is separate from GIZ's operational business. This organisational structure strengthens its independence. The unit is mandated to generate evidence-based results and recommendations for decision-making, to provide plausible verification of results and to increase the transparency of findings.

The Evaluation Unit commissioned external independent evaluators to conduct the evaluation. This evaluation report was written by these external evaluators. All opinions and assessments expressed in the report are those of the authors.

Evaluator/s:
Josef Seitz, Global21 Consulting, Kakha Artsivadze

Consulting firm:
Global21 Consulting
22 Chemin de la Bourdette
31190 Caujac, France
T: +33 534 59 25 47
E: josef.seitz@global21.eu
I: www.global21.eu



Coordination and management:
Manija Gardizi, GIZ, Head of Section
Sophie Zupper, GIZ, Evaluation Manager
Central Project Evaluation Section
GIZ Corporate Unit Evaluation

Responsible:
Martha Gutierrez, GIZ,
Director of Corporate Unit Evaluation

Editing:
International Correspondents in Education (ICE)

Published by:
Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

Registered offices:
Bonn and Eschborn
Friedrich-Ebert-Allee 32 + 36
53113 Bonn, Germany
T: +49 228 44 60-0
F: +49 228 44 60-17 66
E : evaluierung@giz.de
I : www.giz.de/evaluierung
www.youtube.com/user/GIZonlineTV
https://linkedin.com/company/gizgmbh

Design/layout:
Layout: now [nau], kommunikative & visuelle gestaltung, Frankfurt and DITHO Design GmbH, Cologne

Distribution:
GIZ, Bonn

Bonn 2025

Contents

List of figures iv
List of photos iv
List of tables iv
Abbreviations v
Executive Summary vii
Executive Summary (German) xv
The project at a glance 1
1 Evaluation objectives and questions 2
1.1 Evaluation objectives 2
1.2 Evaluation questions 2
2 Object of the evaluation 3
2.1 Definition of the evaluation object 3
2.2 Results model including hypotheses 5
3 Evaluability and evaluation process 12
3.1 Evaluability: data availability and quality 12
3.2 Evaluation process 13
4 Assessment according to OECD DAC criteria 17
4.1 Impact and sustainability of predecessor projects 17
4.2 Relevance 17
4.3 Coherence 28
4.4 Effectiveness 31
4.5 Impact 46
4.6 Efficiency 53
4.7 Sustainability 58
4.8 Key results and overall rating 64
5 Conclusions and recommendations 67
5.1 Key findings and factors of success and failure 67
5.2 Recommendations 69
List of references I
Annex: Evaluation criteria, dimensions, and questions V

List of figures

Figure 1: Current results model (November 2024), adapted during evaluation 11
Figure 2: Milestones of the evaluation process 13
Figure 3: Efficiency Tool: Costs per component (output) 54
Figure 4: Efficiency Tool: costs and achievements per component (output) 55
Figure 5: Cockpit Efficiency Tool: Overall costs and module indicator achievements (without selected key result indicators) 56

List of photos

Photo 1: Forests in Surebi (Guria region) (Source/© : Josef Seitz, 2024) 16
Photo 2: Energy efficient stove under production (Source/©: Josef Seitz, 2024) 43
Photo 3: Training material for forestry training at Horizonti TVET college in Chokhatauri (Source/©: Josef Seitz, 2024) 51
Photo 4: Electric hydraulic log splitter at the Business Service Yard in Ozurgeti (Guria region) (Source/©: Josef Seitz, 2024) 63
Photo 5: Project and government financed trucks at the Business Service Yard in Ozurgeti (Guria region) (Source/©: Josef Seitz, 2024) 65

List of tables

Table 1: Knowledge interests by main evaluation stakeholder groups 3
Table 2: Results level terminology 5
Table 3: List of evaluation stakeholders and selected participants 14
Table 4: Context and conflict sensitivity within the evaluation process 15
Table 5: Rating of OECD DAC criterion relevance 17
Table 6: Evaluation matrix for OECD DAC criterion relevance 25
Table 7: Dividers/escalating factors in the project context 28
Table 8: Connectors/deescalating factors in the project context 28
Table 9. Rating of OECD DAC criterion coherence 28
Table 10: Evaluation matrix for OECD DAC criterion coherence 30
Table 11. Rating of OECD DAC criterion effectiveness 31
Table 12: Assessed project objective and objective indicators (outcome level) 32
Table 13: Effectiveness – Assessment of results hypothesis 1 36
Table 14: Effectiveness – Assessment of results hypothesis 2 37
Table 15: Effectiveness – Assessment of results hypothesis 3 38
Table 16: Evaluation matrix for OECD DAC criterion effectiveness 43
Table 17. Rating of OECD DAC criterion impact 46

Table 18: Impact – Assessment of results hypothesis 4 49
Table 19: Impact – Assessment of results hypothesis 5 50
Table 20: Evaluation matrix for OECD DAC criterion impact 51
Table 21. Rating of OECD DAC criterion efficiency 53
Table 22: Evaluation matrix for OECD DAC criterion efficiency 57
Table 23. Rating of OECD DAC criterion sustainability 58
Table 24: Evaluation matrix for OECD DAC criterion sustainability 63
Table 25: Overall rating of OECD DAC criteria and assessment dimensions 66
Table 26: Rating and score scales 67

Abbreviations

AF	Alternative fuel
BFD	Biodiversity and Forest Department
BMZ	German Federal Ministry for Economic Cooperation and Development
BSY	Business Service Yard
CPE	Central project evaluation
CSO	Civil society organisation
DAC	Development Assistance Committee
DES	Department of Environmental Supervision
EE	Energy efficient
EIEC	Environmental Information and Education Centre
ESHS MS	Environmental, social, health and safety management system
ESS	Environmental and social safeguards
FGD	Focus group discussion
FMP	Forest management plan
GAP	Gender action plan
GCF	Green Climate Fund
GHG	Greenhouse gas
GIS	Geographic information system
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
GoG	Government of Georgia
IFC	International Finance Corporation
KfW	KfW Development Bank (Kreditanstalt für Wiederaufbau)
KRI	Key result indicator
MEPA	Ministry of Environmental Protection and Agriculture
MESD	Ministry of Economy and Sustainable Development

MRV	Monitoring and measurement, reporting and verification
NDC	Nationally Determined Contribution
NECP	National Integrated Energy and Climate Plan
NFA	National Forestry Agency
NGO	Non-governmental organisation
NTFP	Non-timber forest product
OECD	Organisation for Economic Co-operation and Development
PIU	Project Implementation Unit
POI	Project outcome indicator
RDA	Rural Development Agency
SDC	Swiss Agency for Development and Cooperation
SDG	Sustainable Development Goal
SFM	Sustainable Forest Management
TFP	Timber forest product
ToC	Theory of change
TVET	Technical and vocational education and training
VET	Vocational education and training
WebMo	Web-based monitoring system

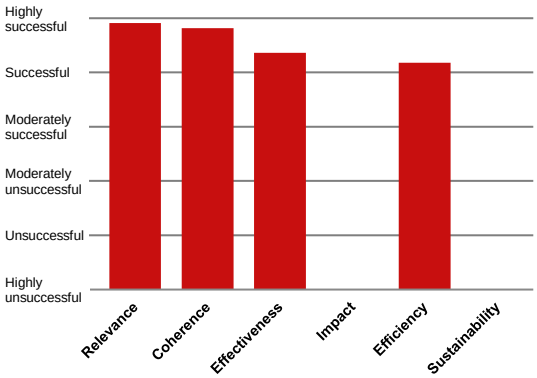
Executive Summary

Project title	Green Transformation Georgia (ECO.Georgia)
Country	Georgia
Sector and creditor reporting system codes	31210 – Forestry policy and administrative management (25%) 31261 – Fuelwood/charcoal (25%) 41030 – Biodiversity (25%) 23183 – Energy conservation and demand-side efficiency (25%)
Project numbers	GCF: FP 132 BMZ: PN 2020.2275.4 SDC: Credit proposal no. 7F-10387.01.02
Commissioning parties	Green Climate Fund (GCF) German Federal Ministry for Economic Cooperation and Development (BMZ) Swiss Agency for Development and Cooperation (SDC)
Lead executing agencies	Ministry of Environmental Protection and Agriculture (MEPA) Ministry of Economic and Sustainable Development (MESD)
Development cooperation (DC) programme	not applicable
Project value	EUR 49,150,801, including: EUR 35,038,015 from GCF EUR 10,000,000 from BMZ EUR 4,090,000 from SDC plus EUR 128,556,871 indirectly from Georgian partner organisations)
Project term	GCF: April 2021 – September 2028 BMZ: April 2021 – March 2029 SDC: September 2021 – September 2025
Sample year CPE	not applicable

Objectives of the project

The ECO.Georgia project aims to achieve a greater number of small, medium-sized and large low-emission power suppliers and better management of land and forest areas to contribute to climate protection. In addition, the project is aimed at men and women in target communities who should benefit from diversified income opportunities stemming from forest-related value chains, knowledge and skills.

Overall rating: successful (87/100)



Context of the project

Forests, which accounts for around 44.5% of Georgia's land cover, are a critical resource for the country's socioeconomic development and biodiversity. Up to 90% of rural households rely partially or completely on fuelwood for space and domestic hot water heating, as well as for cooking. However, the unsustainable use of forest resources, primarily for fuelwood—the main source of energy in rural areas—has resulted in overharvesting and degradation of Georgia's forest resources. Georgia's forests play a pivotal role in regulating the country's net greenhouse gas (GHG) emissions, having removed an average of ~5,400 Gg CO2eq annually between 2010 and 2013, i.e. one-third of national emissions. The Government of Georgia (GoG) has prioritised the forest sector in an effort to strike a balance between society's increasing demand for forest products and benefits and the need to preserve forest health, biodiversity, mitigation potential and other ecosystem services.

Brief description of the project

The project is assisting the Government of Georgia (GoG) in implementing its transformative forest sector reform agenda by incorporating all of the nation's forests into the sustainable forest management (SFM) framework. It therefore supports the establishment of a nationwide sustainable forest management system and its implementation in eight target forest districts under component 1 (Sustainable forest management). In addition, by promoting development of the market for energy-efficient (EE) stoves and alternative fuels (AF) under component 2, the project addresses the main driver of Georgia's forest degradation—unsustainable fuelwood consumption by the rural population. In component 3 (Livelihood opportunities and local self-governance in forest management), ECO.Georgia addresses the potential adverse effects of the forest sector reform by diversifying livelihood opportunities and strengthening local self-governance in forest-adjoining rural communities. The project covers 270,807 hectares of state-managed forests in the three target regions that serve as a model for the implementation of sustainable forest management: Guria, Kakheti and Mtskheta-Mtianeti.

Table: Project objectives/areas of intervention

Project objectives	Fund-level outcome M6.0: Increased number of small, medium and large low-emission power suppliers. Fund-level outcome M9.0: Improved management of land or forest areas contributing to emissions reductions. BMZ objective: The contribution of the Georgian forestry sector to climate protection is increased. SDC outcome 1: The municipal authorities and citizens have and use relevant technical and human capacities to participate in the sustainable management of forests in the target regions. SDC outcome 2: Men and women in target communities benefit from diversified income opportunities thanks to forest-related value chains, forest-related knowledge and skills.
Output 1	Sustainable forest management
Output 2	Market development for energy efficiency and alternative fuels
Output 3	Livelihood opportunities and local self-governance in forest management

Assessment according to DAC criteria

Relevance

ECO.Georgia is consistently and comprehensively aligned with Georgia's policies and priorities on sustainable forest management, climate change, energy efficiency, sustainable development and gender. In particular, the project is fully in line with Georgia's Forest Code, the National Forest Concept for Georgia, Georgia's Nationally Determined Contribution (NDC), Georgia's 2030 Climate Change Strategy and Action Plan (CSAP), the Climate Action Plan (CAP), the National Energy Policy of Georgia, the National Integrated Energy and Climate Plan (NECP) of Georgia, the Agriculture and Rural Development Strategy of Georgia (2021–2027) and the National Biodiversity Strategy and Action Plan, as well as the Renewable Energy Law.

The project directly addresses the interests and needs of its direct target groups, namely officers and experts at technical and managerial level from the different national-level stakeholders within the Ministry of Environmental Protection and Agriculture (MEPA) and its downstream authorities, and from municipal administrations and/or local governments in the three target regions (Guria, Kakheti and Mtskheta-Mtianeti). It also responds to the public need for a reliable firewood supply and modernised forest infrastructure. The technical and vocational education and training (TVET) activities implemented at various levels of the education system, including colleges and higher education institutions, are highly relevant given that they address the critical need to develop skilled personnel essential for ensuring sustainable forest management in Georgia. The project also implements comprehensive gender mainstreaming through gender-sensitive training programmes and technical education.

The Covid-19 pandemic and the war in Ukraine have significantly affected the Georgian market by increasing prices for stove production materials and reducing revenue from timber sales. These challenges may undermine the relevance of the project's planned activities concerning sales targets for energy-efficient stoves, thus necessitating adjustments to the anticipated outputs. At the same time, it is important to note that, according to representatives of non-governmental organisations (NGOs), the level of their involvement at municipal level is inconsistent with actual needs. This is due primarily to ongoing political processes in Georgia, particularly the adoption of the Law on Transparency of Foreign Influence, which has significantly undermined public participation in these processes. However, in light of the aforementioned obstacles, the Project Implementation Unit (PIU) has demonstrated adaptability and actively responded to changes.

In total, the relevance of the project is rated as successful (level 2), with 91 out of 100 points.

Coherence

ECO.Georgia is Georgia's largest project dedicated to advancing forest sector reform and promoting the sustainable use of natural resources, with the key objective of reducing greenhouse gas emissions. The substantial financial contributions from the Government of Georgia (GoG), the Green Climate Fund (GCF), the German Federal Ministry for Economic Cooperation and Development (BMZ) and the Swiss Agency for Development and Cooperation (SDC) demonstrate a strong sense of ownership from both the state and international donors. The Ministry of Environmental Protection and Agriculture ensures that ECO.Georgia is aligned with the country's national goals and acts as the primary liaison between the Government of Georgia and the project.

Given the scale and significance of ECO.Georgia, the commitment to the project across all levels of government is robust. This was confirmed by Government of Georgia representatives and through interviews with high-level officials and technical staff from the Ministry of Environmental Protection and Agriculture, the Department of Environmental Supervision (DES), the Ministry of Economy and Sustainable Development (MESD), the National Forestry Agency (NFA), the Rural Development Agency (RDA) and other agencies. The state is increasing the budget for financing the forestry sector. All partner organisations interviewed emphasised that ECO.Georgia is complementing their efforts while effectively leveraging their strengths and resources. Having all of the above bodies, plus the Environmental Information and Education Centre (EIEC), the Ministry of Finance and municipality representatives, on the Project Steering Committee (PSC) underscores the principle of subsidiarity. Furthermore, the Government of Georgia and the National Forestry Agency are consistently ensuring the procurement of state-owned equipment, inventory and infrastructure development within the framework of the project. State support in this area is expected to increase and extend beyond the project's scope. This will ensure that the project is delivered through existing structures, thereby enabling optimal use of existing expertise and resources in Georgia.

In addition, there are strong synergies with the ongoing BMZ-supported project titled Biodiversity and Sustainable Local Development in Georgia. Both projects address sustainable forest management issues. However, ECO.Georgia does not cover the autonomous region Adjara and no overlaps were observed.

In summary, coordination with other governmental entities is considered excellent. However, there is still room for improvement in the project’s collaboration with municipalities. Additionally, there is significant potential at municipal level to strengthen the involvement of civil society organisations (CSOs) and local communities in the sustainable forest management process. The evaluation revealed that the project is actively collaborating with ongoing initiatives and organisations involved in sustainable forest management in Georgia, with no duplication of efforts observed.

In total, the coherence of the project is rated as successful (level 2), with 90 out of 100 points.

Effectiveness

By the mid-term stage of the project, one outcome indicator and one selected key result indicator (KRI) will be achieved or even overachieved, while two key result indicators will be partly achieved. In addition, it is highly probable that one selected KRI will be fully achieved. One outcome indicator and one key result indicator will not be achieved by the mid-term stage (or will be achieved to a limited degree only). On average, the indicator achievement against mid-term targets is about 66%.

In terms of context or conflict sensitivity (fragility), the project strengthened deescalating factors or connectors and weakened escalating factors by strengthening participation in sustainable forest management and fostering forest-related value chains. In addition, the project successfully established a locally accessible complaints and grievances redress mechanism.

The implementation of forest management plans (FMPs) has already started in selected model areas and the National Forestry Agency has been empowered to better manage its forests and avoid environmental and social harm while implementing sustainable forest management. As a consequence, it is highly probable that the management of forest areas will improve, thus leading to reduced forest degradation and enhanced timber stocks. Regarding the expected results for energy-efficient stoves and low-carbon alternative fuel solutions, it was shown that the market is still far from achieving a self-sustaining level of growth. The project successfully started developing professional skills and knowledge for forest management and conservation through vocational education in its partner municipalities. Moreover, various forest-related value chains, such as timber, non-timber forest products (NTFPs) and ecotourism, have been strengthened. As a consequence, it was demonstrated that livelihood opportunities are being diversified.

The evaluation also found that the quality of project implementation was very high and even exemplary in some aspects, such as the web-based monitoring system. Its excellent cooperation management was also highlighted by several interview partners. There were no unintended negative results. However, the project created some unintended benefits. Implementation risks were tracked in the monitoring system and reporting process.

In total, the effectiveness of the project is rated successful (level 2), with 85 out of 100 points.

Table: Achievement of the project's objective indicators

Indicator	%
Number of households and individuals (males and females) with improved access to low-emission energy sources	4
Hectares of land or forests under improved and effective management that contributes to a reduction in CO2 emissions	100
Cubic metres (m^3) of fuelwood sustainably harvested by the National Forestry Agency in the eight districts	10
Volume of investment (EUR) in energy-efficient / alternative fuel production sector	53
Number of provisions of Forest Code mainstreamed into secondary regulations	130

Impact

Georgia has quantified Nationally Determined Contribution (NDC) targets to increase its carbon sequestration capacity by 10% through the forestry sector. This objective is expected to be achieved by restoring degraded forests, supporting sustainable forest management and developing a forest management system adapted to climate change challenges. Nevertheless, Georgia does not yet have a monitoring and measurement, reporting and verification (MRV) system. In addition, the recent national inventory showed that the degradation of Georgian forests is about 35% and therefore much higher than expected. Consequently, there is a medium-to-high probability that reduced forest degradation and enhanced timber stocks will contribute to a reduction in CO2 emissions (Sustainable Development Goal / SDG 13). The project's progress in reducing forest degradation

and enhancing timber stocks, combined with the Government of Georgia's strong commitment to strengthening forest protection and increasing sustainable forest management, suggests that there is a medium-to-high probability that forest carbon stocks will be directly enhanced, thereby reducing CO2 emissions. Nevertheless, the forests are much more degraded than expected and the forest sector reform is currently delayed. In conclusion, there is a medium probability that Georgia will achieve SDG 15, which focuses on terrestrial ecosystems, sustainably managed forests, land degradation and biodiversity. Regarding Georgia's progress in fostering access to affordable, reliable, sustainable and modern energy (SDG 7), the country is focused mainly on renewable energy, with a view to increasing the share of wind and solar power plants in the Georgian energy system's installed capacity to 18.2% by 2030. Given that fossil gas from Azerbaijan is still very cheap due to a bilateral agreement on the transport of gas from Azerbaijan through Georgia to Turkey, the Government of Georgia also continues promoting the use of fossil gas as an energy source and fosters the installation of gas infrastructure in rural areas. In conclusion, the evaluation revealed that there is a medium-to-high probability that Georgia will improve access to affordable, reliable, sustainable and modern energy (SDG 7). The number of energy-efficient stoves sold through the project, however, fell short of expectations, thus limiting the reduction in household wood consumption. It was therefore not yet possible to confirm whether the project would contribute to a reduction in non-sustainable logging of fuelwood and thus to reduced degradation and increased protection of forest ecosystems.

Since the evaluation was a mid-term evaluation and results at impact level were not yet expected, the impact criterion was not rated.

Efficiency

The project is marked by the involvement of a large number of experts, which is understandable considering the programmatic setup and complexity of the project. In addition, most staff members have worked as implementing technical experts in the field. However, the personnel costs incurred to date amount to 63% of the project budget spent, which is considered to be relatively high, especially in view of the fact that the indicators have not been fully achieved. Financing instruments have accounted for about 28% of the project budget spent and have been processed mainly through partner organisations, which is consistent with the project's focus on advisory services and capacity development. The project is currently slightly delayed in areas such as the implementation of financing instruments. The assessment of costs per output revealed that the distribution of resources to components is reasonable and comprehensible. The share of overarching costs for general tasks is very low at 4%. The project has also successfully produced the majority of its outputs on time and within the planned timeframe, despite some challenges.

The implementation strategy to use financing instruments is very efficient, as it makes it possible to reduce the cost of employing long- and short-term experts and create additional ownership within the partner institutions. The project successfully leveraged significant funds through partner contributions from the Government of Georgia, the National Forestry Agency, the financial sector, energy-efficient / alternative fuel suppliers, private sector forest contractors and households, thus increasing the project's efficiency to a significant degree. However, the partner contributions were not clearly assignable to specific outputs and were therefore not included in the Efficiency Tool. In addition, the project combines funds from three donor organisations, which has created strong synergies and increased the project's efficiency.

In total, the efficiency of the project is rated successful (level 2), with 83 out of 100 points.

Sustainability

The ECO.Georgia project, while still at the mid-term stage, has demonstrated significant progress towards achieving sustainable forestry outcomes in Georgia. It emphasises capacity building through training programmes, legal frameworks and sustainable forest management practices. Key accomplishments include the

development of forestry education programmes at technical and vocational education and training colleges and universities, vocational training initiatives and the establishment of Business Service Yards (BSYs) as models for sustainable operations, as well as the institutionalisation of environmental and social safeguards (ESS) and the establishment of a sector feedback mechanism within the National Forestry Agency. These efforts have substantially strengthened the capacities of key beneficiaries and partners. However, sustainability at municipal level remains uncertain, as municipalities currently lack forest ownership, with no plans for resource transfer in the next five to eight years.

ECO.Georgia is innovative in addressing climate change adaptation and mitigation from a holistic perspective. By promoting energy-efficient stoves, sustainable forest management and alternative fuels, the project has reduced forest resource demand, lowered greenhouse gas emissions and generated additional revenue for the National Forestry Agency, thereby allowing for further capacity improvements. Business Service Yards, viewed by the Government of Georgia as foundational models, will become a key source of firewood when social logging is banned in 2026. These structures and their designs are seen as standards for future Business Service Yard development and will receive state budget support. Notably, the Business Service Yards developed under the project are viewed as standards for design, structure and equipment requirements, with future yard development to be supported through state budget allocations. Similarly, the National Forestry Agency has identified the European-standard forest road construction model implemented under the project as a benchmark for future forest road development in Georgia. The agency is now working to amend public procurement regulations to institutionalise this standard in future projects. A significant innovation includes the integration of an environmental, social, health and safety management system (ESHS MS) into Business Service Yards, as well as into the construction and rehabilitation of forest roads. To achieve this, the application of best international standards, particularly for forest roads, has been incorporated as part of the mitigation measures. Additionally, the establishment of a complaints and feedback mechanism for the forest sector represents another key innovation in sustainable forest management.

Nonetheless, challenges remain. The severe forest degradation revealed by the national forest inventory has shifted priorities from timber revenue generation to ecological and social benefits, thus challenging the project's initial assumption that timber sales could fund sustainable forest management activities. The scarcity of commercially valuable timber makes it impossible to achieve financial independence for the National Forestry Agency through timber extraction. Instead, the government plans to subsidise the forestry sector for the next decade to ensure sustainability while maintaining ecosystem services and disaster prevention. ECO.Georgia is well positioned to address these challenges. By strengthening the capabilities of relevant services and securing long-term state budget support, the project has laid solid foundations to achieve its goals and ensure the sustainability of its outcomes.

As the evaluation was a mid-term evaluation and the sustainability of results was not yet expected, the sustainability criterion was not rated.

Overall rating

With an overall score of 87 out of 100 points, the ECO.Georgia project received an overall rating of level 2 (successful). The evaluation team found the project to be highly relevant and coherent. It was also successful in achieving its results and in terms of its efficiency. The project must make additional efforts to achieve the expected impacts and ensure the sustainability of its results by the end of the project term.

The main reasons for the project’s success lie in the strong political and financial commitment of the Georgian partners and the project’s holistic approach, which includes all relevant stakeholder groups The combined financing from three donor organisations and the Government of Georgia has created very strong synergies and laid the foundations to generate a significant impact on the forest sector in Georgia. The project has also faced

challenges, especially regarding development of the market for energy-efficient stoves, including lower-than-expected consumer interest and rising metal prices due to the Russian war in Ukraine. The recently adopted Law on Transparency of Foreign Influence and increased Russian influence could also lead the Government of Georgian to distance itself from the European principles of democracy and could thus weaken the project's implementation structures and international donors' interest in continuing to provide support.

Table: Rating of OECD DAC evaluation criteria

Criteria	Score (Max. 100)	Rating 1 (highly successful) to 6 (highly unsuccessful)	Criteria	Score (Max. 100)	Rating 1 (highly successful) to 6 (highly unsuccessful)
Relevance	91	Level 2: successful	Impact	-	not rated
Coherence	90	Level 2: successful	Efficiency	83	Level 2: successful
Effectiveness	85	Level 2: successful	Sustainability	-	not rated
			Overall	**87**	**Level 2: successful**

Conclusions and factors of success and failure

The evaluation identified a number of the project's **success factors**. The mobilisation of significant funds through partner contributions from the Government of Georgia, the National Forestry Agency, the financial sector, energy efficiency / alternative fuel suppliers, private sector forest contractors and households has fostered the project's coherence, effectiveness and efficiency. The Government of Georgia's strong political will to increase sustainable forest management, along with the firm commitment of Georgian partners, has significantly facilitated the project's implementation. The combination of funds from three donor organisations has considerably increased the project's efficiency. A major asset of ECO.Georgia is its holistic approach, which includes all relevant stakeholder groups (central government, agencies, municipalities, non-governmental organisations and the private sector) and thematic topics. The cofinancing from the Swiss Agency for Development and Cooperation has filled a gap in terms of the human dimension of the forest sector reform. Finally, the strong commitment of the project staff and the exemplary project management have contributed to the project's successful implementation.

The evaluation also identified several factors representing **challenges** for the project. A major internal factor and challenge is the delay in the forest sector reform. Regarding the difficulties in achieving a sustainable market for energy-efficient stoves, major challenges include the high prices of these stoves and the lower-than-expected consumer interest. The procedures to access subsidies for energy-efficient stoves and the payback schemes are too long and complex for some beneficiaries. In addition, mouth-to-ear marketing for energy-efficient stoves is not enough. Regarding sustainable forest management, the main challenge is that timber quality and quantity are lower than expected. Consequently, forests cannot supply the expected quantity and quality of wood, which means that the National Forestry Agency's business model may need to be updated. An external challenge for ECO.Georgia is that this agency might not be able to continue operating under the Law on Transparency of Foreign Influence.

In terms of **innovativeness**, ECO.Georgia has strongly fostered innovation at different levels. Regarding project financing, it has successfully leveraged funds from the Government of Georgia and other Georgian actors. In terms of thematic innovation, it has initiated innovative processes, for example by setting up new data management systems to be used in forest-related monitoring and measurement, reporting and verification systems.

Regarding **coherence in climate finance**, the evaluation found that the ECO.Georgia project is one of six Green Climate Fund (co-)funded projects in Georgia or in multiple countries, including Georgia. In summary,

two projects focus on climate finance and a further two projects on urban areas, while one project aims to strengthen climate science and adaptation. In addition to the programmes and projects funded by the Green Climate Fund, the International Finance Corporation (IFC) declared in 2024 that it is investing $150 million in TBC Bank, Georgia's largest bank, to boost access to finance for its portfolio of small and medium-sized enterprises (SMEs) and bolster the country's climate finance market. With a specific focus on reducing emissions from land use, increasing reforestation, reducing deforestation, promoting sustainable forest management and enhancing forest carbon stocks, ECO.Georgia is a unique project that perfectly complements other climate finance initiatives.

The project actively fosters **gender equality** and has developed a gender action plan (GAP), including actions, targets and indicators for each activity. This plan is exhaustive and is actively monitored in the project's monitoring system. Additionally, ECO.Georgia has carried out several gender-related studies and implemented gender-specific actions, especially to mainstream gender in sustainable forest management, forest management plans and forest-related value chains. Moreover, the gender dimension of the voucher programme for energy-efficient stoves was assessed and suggestions for modifications offered. The evaluation team therefore concluded that the project is highly likely to generate positive impacts for women. Although most of the expected impacts are not yet visible, since the processes require time to show evidence of change, certain immediate benefits for women, through value chain-related training, business plan development and grant schemes, are already evident.

Recommendations

Regarding the **project design**, indicators need to be adapted, especially for outcome M6.0 and key result 3. In addition, the baseline for key result 1 needs to be updated in light of the actual forest situation. As the project results are slightly delayed, due mainly to external factors, it is recommended that the **project term** be extended by at least a year, if possible, to increase the chances of achieving the expected results. In terms of **project management**, the implications of the Law on Transparency of Foreign Influence for project implementation need to be discussed, especially regarding cooperation with non-governmental organisations.

Several actions are recommended to strengthen **project implementation**. To increase the market volume of energy-efficient stoves, awareness-raising and marketing campaigns are essential. Moreover, discussions with donor organisations should be held to explore the possibility of increasing subsidies for stoves. In addition, energy-efficient stoves should be promoted in all public buildings that are not connected to gas, and the certification rate for these stoves, including imported models, should be increased. In terms of sustainable forest management, additional awareness-raising on the impact of illegal logging is necessary. Furthermore, the promotion of Business Service Yards should be stepped up.

Regarding the design of a potential follow-on phase of the Swiss Agency for Development and Cooperation-funded component 3, it is recommended that **Local Advisory Councils** are further strengthened to foster participation at municipality level. As forest-dependent population groups do not always understand the impact of illegal logging and the need for sustainable forest management, the **participation mechanism** in municipalities should be strengthened regarding the implementation of the Forest Code. In addition, there is a need for more communication between the National Forestry Agency and the population. The 'grievance mechanism' constitutes one of the project's main success stories and should be rolled out. Municipalities that show a specific interest in taking over responsibility for forest management and conservation might also need additional strengthening of their **technical capacities**, especially through sustainable forest management training. Regarding the development of forest-related **value chains**, the project's initial results are encouraging, so these should be rolled out, but with a clear focus on sustainable forest management and conservation.

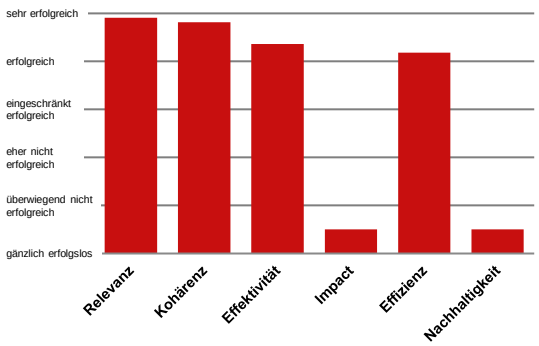
Executive Summary (German)

Titel	Grüne Transformation Georgien (ECO.Georgia)
Land/Region/global	Georgien
Sektor und Förderbereichsschlüssel	31210 – Forstpolitik und Verwaltungsmanagement (25%); 31261 – Brennholz (25%); 41030 – Biodiversität (25%); 23183 – Energieeinsparung und -effizienz (25%)
Projektnummer	GCF: FP 132; BMZ: PN 2020.2275.4; DEZA: Kreditvorschlag Nr. 7F-10387.01.02
Auftraggeber	Green Climate Fund (GCF) Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ) Schweizer Direktion für Entwicklung und Zusammenarbeit (DEZA)
Politischer Träger/Partnerorganisationen	Ministerium für Umweltschutz und Landwirtschaft (MEPA) Ministerium für wirtschaftliche und nachhaltige Entwicklung (MESD)
Titel EZ-Programm	nicht zutreffend
Projektvolumen	49.150.801 EUR, davon: 35.038.015 EUR vom GCF, 10.000.000 EUR vom BMZ, 4.090.000 EUR von der DEZA, (plus indirekt 128.556.871 EUR von georgischen Partnerorganisationen)
Projektlaufzeit	GCF: April 2021 – September 2028 BMZ: April 2021 – März 2029 DEZA: September 2021 – September 2025
Stichprobenjahr ZPE	nicht zutreffend

Ziele des Projekts

Das Projekt ECO.Georgia zielt darauf ab, die Anzahl kleiner, mittlerer und großer emissionsarmer Stromversorger zu erhöhen und die Bewirtschaftung von Land- oder Waldflächen zu verbessern und hierdurch einen Beitrag zum Klimaschutz zu leisten. Darüber hinaus sollen Männer und Frauen in den Zielgemeinden von diversifizierten Einkommensmöglichkeiten profitieren, die auf waldbezogenen Wertschöpfungsketten sowie waldbezogenem Wissen und Fähigkeiten basieren.

Gesamtbewertung: erfolgreich (87/100)



Rahmenbedingungen und Einordnung des Projekts

Wälder bedecken etwa 44,5 % der Landfläche Georgiens und sind eine entscheidende Ressource für die sozioökonomische Entwicklung des Landes und die Biodiversität. Bis zu 90 % der Haushalte auf dem Land sind teilweise oder vollständig auf Brennholz für die Raumheizung und die Warmwasserbereitung sowie zum Kochen angewiesen. Die nicht nachhaltige Nutzung der Waldressourcen, vor allem für Brennholz – die wichtigste Energiequelle in ländlichen Gebieten – hat jedoch zu einer Übernutzung und Degradation der Waldressourcen Georgiens geführt. Die Wälder Georgiens spielen eine entscheidende Rolle bei der Regulierung der Netto-Treibhausgas- (THG-) Emissionen des Landes, indem sie jährlich (von 2010 bis 2013) durchschnittlich ~5.400 Gg CO2eq, d. h. ein Drittel der nationalen Emissionen, binden. Die Regierung von Georgien (*Government of Georgia*, GoG) hat dem Forstsektor Priorität eingeräumt, um ein Gleichgewicht zwischen der steigenden Nachfrage der Gesellschaft nach Forstprodukten und -leistungen und der Erhaltung der Gesundheit, Vielfalt und des Minderungspotenzials der Wälder sowie anderer Ökosystemleistungen zu erreichen.

Kurzbeschreibung des Projekts

Das Projekt unterstützt die Regierung von Georgien bei der Umsetzung ihrer Agenda für eine transformative Reform des Forstsektors, indem es die Wälder des gesamten Landes in den Rahmen der nachhaltigen Waldbewirtschaftung (*Sustainable Forest Management*, SFM) einbindet. Es unterstützt daher im Rahmen seiner Komponente 1 (Nachhaltige Waldbewirtschaftung) die Einrichtung eines landesweiten SFM-Systems und dessen Umsetzung in acht Zielwaldbezirken. Darüber hinaus geht das Projekt durch die Förderung der Marktentwicklung für energieeffiziente Öfen und alternative Brennstoffe im Rahmen von Komponente 2 den Hauptgrund für die Waldschädigung in Georgien an: den nicht nachhaltigen Brennholzverbrauch durch die ländliche Bevölkerung. In Komponente 3 (Lebensunterhaltschancen und lokale Selbstverwaltung in der Waldbewirtschaftung) befasst sich ECO.Georgia mit den potenziellen negativen Auswirkungen der Reform des Forstsektors, indem es die Möglichkeiten zur Sicherung des Lebensunterhalts diversifiziert und die lokale Selbstverwaltung in an Wälder angrenzenden ländlichen Gemeinden stärkt. Das Projekt erstreckt sich auf 270.807 Hektar staatlich verwalteter Wälder in den drei Zielregionen, die als Modell für die Umsetzung der nachhaltigen Waldbewirtschaftung dienen: Guria, Kachetien und Mzcheta-Mtianeti.

Tabelle: Projektziel/Interventionsbereiche

Projektziel	GCF M6.0: Erhöhte Anzahl kleiner, mittlerer und großer emissionsarmer Stromversorger; GCF M9.0: Verbesserte Bewirtschaftung von Land- oder Waldflächen, die zur Emissionsminderung beitragen. BMZ-Ziel: Der Beitrag des georgischen Forstsektors zum Klimaschutz wird erhöht. DEZA 1: Die Kommunalbehörden und die Bürger verfügen über und nutzen die technischen und personellen Kapazitäten, um sich an der nachhaltigen Bewirtschaftung der Wälder in den Zielregionen zu beteiligen. DEZA 2: Männer und Frauen in den Zielgemeinden profitieren von diversifizierten Einkommensmöglichkeiten dank waldbezogener Wertschöpfungsketten, waldbezogenem Wissen und Fähigkeiten.
Output 1	Nachhaltige Forstwirtschaft
Output 2	Marktentwicklung für Energieeffizienz und alternative Brennstoffe
Output 3	Lebensunterhaltsmöglichkeiten und lokale Selbstverwaltung bei der Waldbewirtschaftung

Bewertung nach DAC-Kriterien

Relevanz

ECO.Georgia steht in Einklang mit den Richtlinien und Prioritäten Georgiens in den Bereichen nachhaltige Waldbewirtschaftung, Klimawandel, Energieeffizienz, nachhaltige Entwicklung und Gleichstellung der Geschlechter. Das Projekt steht insbesondere in vollem Einklang mit dem georgischen Forstgesetz, dem Nationalen Forstkonzept für Georgien, dem national festgelegten Klimabeitrag (*Nationally Determined Contribution*, NDC) Georgiens, der georgischen Strategie und dem Aktionsplan zum Klimawandel 2030, dem Klimaschutzplan, der nationalen Energiepolitik Georgiens, dem Nationalen Integrierten Energie- und Klimaplan Georgiens, der Strategie für Landwirtschaft und ländliche Entwicklung Georgiens (2021–2027) und der Nationalen Strategie und dem Aktionsplan für Biodiversität sowie dem Gesetz zu erneuerbare Energien.

Das Projekt geht direkt auf die Interessen und Bedürfnisse seiner direkten Zielgruppen ein, nämlich der Fach-Führungskräfte auf technischer und Managementebene der verschiedenen Partner auf nationaler Ebene innerhalb des Ministeriums für Umweltschutz und Landwirtschaft (*Ministry of Environmental Protection and Agriculture*, MEPA) und seiner nachgeordneten Behörden sowie der Gemeinde- und/oder Kommunalverwaltungen in den drei Zielregionen (Guria, Kakheti und Mtskheta-Mtianeti). Es erfüllt auch den Bedarf der Bevölkerung an einer zuverlässigen Brennholzversorgung und modernisierter Waldinfrastruktur. Die Aktivitäten im Bereich der technischen und beruflichen Bildung (*Technical and Vocational Education and Training*, TVET), die auf verschiedenen Ebenen des Bildungssystems, einschließlich TVET-Colleges und Hochschuleinrichtungen, durchgeführt werden, sind von großer Bedeutung, da sie den dringenden Bedarf an Fachkräften decken, die für die Sicherstellung der nachhaltigen Waldbewirtschaftung in Georgien unerlässlich sind. Das Projekt setzt auch ein

umfassendes *Gender Mainstreaming* durch gendersensible Schulungsprogramme und technische Ausbildung um.

Die COVID-19-Pandemie und der Krieg in der Ukraine haben den georgischen Markt erheblich beeinträchtigt und zu einem Anstieg der Preise für Materialien zur Herstellung von Öfen und zu einem Rückgang der Einnahmen aus Holzverkäufen geführt. Diese Herausforderungen könnten die Relevanz der geplanten Projektaktivitäten in Bezug auf die Verkaufsziele für EE-Öfen untergraben und Anpassungen der erwarteten Ergebnisse erforderlich machen. Gleichzeitig ist es wichtig zu beachten, dass laut Vertretern von Nichtregierungsorganisationen (NRO) das Ausmaß der Beteiligung von NRO auf kommunaler Ebene nicht den tatsächlichen Bedürfnissen entspricht. Dies ist in erster Linie auf die aktuellen politischen Prozesse in Georgien zurückzuführen, insbesondere auf die Verabschiedung des Gesetzes über die Transparenz ausländischer Einflussnahme, das die Beteiligung der Öffentlichkeit an diesen Prozessen erheblich untergraben hat. Angesichts der oben genannten Hindernisse hat die Projektdurchführungseinheit (*Project Implementation Unit*, PIU) jedoch Anpassungsfähigkeit bewiesen und aktiv auf Veränderungen reagiert.

Insgesamt wird die Relevanz des Projekts mit 91 von 100 Punkten als erfolgreich (Stufe 2) bewertet.

Kohärenz

ECO.Georgia ist Georgiens größtes Projekt zur Förderung der Reform des Forstsektors und zur Förderung der nachhaltigen Nutzung natürlicher Ressourcen, wobei das Hauptziel darin besteht, die THG-Emissionen zu reduzieren. Die beträchtlichen finanziellen Beiträge der Regierung von Georgien, des GCF, des BMZ und der DEZA zeigen, dass sowohl der Staat als auch die internationalen Geber ein starkes Verantwortungsbewusstsein (*ownership*) zeigen. MEPA stellt sicher, dass ECO.Georgia mit den nationalen Zielen des Landes übereinstimmt, und fungiert als primäre Verbindungsstelle zwischen der georgischen Regierung und dem Projekt.

Angesichts des Umfangs und der Bedeutung von ECO.Georgia ist das Engagement für das Projekt auf allen Regierungsebenen stark. Dies wurde von Vertretern der georgischen Regierung und durch Interviews mit hochrangigen Beamten und technischen Mitarbeitern von MEPA, dem *Department of Environmental Supervision* (DES), MESD, der *National Forestry Agency* (NFA), der *Rural Development Agency* (RDA) und anderen Behörden bestätigt. Der Staat erhöht das Budget für die Finanzierung des Forstsektors. Alle befragten Partnerorganisationen betonten, dass ECO.Georgia ihre Bemühungen ergänzt und gleichzeitig ihre Stärken und Ressourcen effektiv nutzt. Die Tatsache, dass MEPA, MESD, NFA, DES, RDA, das *Environmental Information and Education Centre* (EiEC) und das Finanzministerium sowie Gemeindevertreter im Projektlenkungsausschuss (*Project Steering Committee*, PSC) vertreten sind, unterstreicht das Subsidiaritätsprinzip. Darüber hinaus stellen die Regierung und die NFA im Rahmen des Projekts die Beschaffung von staatseigener Ausrüstung, Inventar und Infrastrukturentwicklung sicher. Es wird erwartet, dass die staatliche Unterstützung in dieser Richtung zunimmt und über den Projektrahmen hinausgeht. Dadurch wird sichergestellt, dass das Projekt durch bestehende Strukturen umgesetzt wird, wodurch eine optimale Nutzung des vorhandenen Fachwissens und der Ressourcen in Georgien ermöglicht wird.

Darüber hinaus gibt es starke Synergien mit dem laufenden, vom BMZ unterstützten Projekt „Biodiversität und nachhaltige lokale Entwicklung in Georgien“. Beide Projekte befassen sich mit Fragen der nachhaltigen Waldbewirtschaftung, wobei das Projekt ECO.Georgia jedoch nicht die autonome Region Adscharien abdeckt und auch keine Überschneidungen festgestellt wurden.

Zusammenfassend lässt sich sagen, dass die Koordination mit anderen staatlichen Stellen als ausgezeichnet gilt, während es bei der Zusammenarbeit mit den Kommunen noch Verbesserungspotenzial gibt. Darüber hinaus besteht auf kommunaler Ebene ein erhebliches Potenzial, die Beteiligung von Organisationen der Zivilge-

sellschaft und lokalen Gemeinschaften am Prozess der nachhaltigen Waldbewirtschaftung zu stärken. Die Evaluierung ergab, dass das Projekt aktiv mit laufenden Initiativen und Organisationen zusammenarbeitet, die sich in Georgien mit nachhaltiger Waldbewirtschaftung befassen, wobei keine Doppelarbeit festgestellt wurde.

Insgesamt wird die Kohärenz des Projekts mit 90 von 100 Punkten bewertet.

Effektivität

Bis zur Halbzeit des Projekts werden ein Zielindikator und ein ausgewählter Schlüsselergebnisindikator (*key result indicator*, KRI) erreicht oder sogar übertroffen, während zwei KRI teilweise erreicht werden. Darüber hinaus wird ein ausgewählter KRI mit hoher Wahrscheinlichkeit vollständig erreicht werden. Ein Zielindikator und ein KRI werden bis zur Halbzeit nicht oder nur in begrenztem Umfang erreicht werden. Im Durchschnitt liegt die Erreichung der Indikatoren gegenüber den Halbzeitzielen bei etwa 66 %.

In Bezug auf die Kontext- oder Konfliktsensibilität (Fragilität) stärkte das Projekt deeskalierende Faktoren und schwächte eskalierende Faktoren, indem es die Beteiligung an einer nachhaltigen Waldbewirtschaftung stärkte und forstwirtschaftliche Wertschöpfungsketten förderte. Darüber hinaus hat das Projekt erfolgreich einen lokal zugänglichen Beschwerde- und Schlichtungsmechanismus eingerichtet.

Die Umsetzung der Waldbewirtschaftungspläne (*Forest Management Plan*, FMP) hat in ausgewählten Modellgebieten bereits begonnen, und die NFA wurde in die Lage versetzt, ihre Wälder besser zu bewirtschaften und bei der Umsetzung der nachhaltigen Waldbewirtschaftung Umwelt- und Sozialschäden zu vermeiden. Folglich ist die Wahrscheinlichkeit hoch, dass die Bewirtschaftung der Waldgebiete verbessert wird, was zu einer geringeren Waldschädigung und einem größeren Holzbestand führt. Was die erwarteten Ergebnisse für EE-Öfen und kohlenstoffarme AF-Lösungen betrifft, so hat sich gezeigt, dass der Markt noch weit von einem selbsttragenden Wachstumsniveau entfernt ist. Das Projekt hat erfolgreich damit begonnen, durch Berufsausbildung in den Partnergemeinden berufliche Fähigkeiten und Kenntnisse für die Waldbewirtschaftung und den Waldschutz zu entwickeln. Darüber hinaus wurden verschiedene forstwirtschaftliche Wertschöpfungsketten wie Holz, Nicht-Holz-Waldprodukte (NTFP) oder Ökotourismus gestärkt. Infolgedessen wurde nachgewiesen, dass sich die Möglichkeiten zur Sicherung des Lebensunterhalts diversifizieren.

Die Evaluierung ergab außerdem, dass die Qualität der Projektumsetzung sehr hoch und in einigen Aspekten sogar vorbildlich war, z. B. beim webbasierten Monitoringsystem. Das hervorragende Kooperationsmanagement wurde auch von mehreren Interviewpartnern hervorgehoben. Das Projekt brachte keine unbeabsichtigten negativen. jedoch einige unbeabsichtigte positive Ergebnisse mit sich. Die Umsetzungsrisiken wurden im Monitoringsystem und in der Berichterstattung verfolgt.

Insgesamt wird die Wirksamkeit des Projekts mit 85 von 100 Punkten bewertet.

Tabelle: Erreichung der Zielindikatoren des Projekts

Indikator	%
Anzahl der Haushalte und Einzelpersonen (Männer und Frauen) mit verbessertem Zugang zu emissionsarmen Energiequellen	4
Hektar Land oder Wald unter verbesserter und effektiver Bewirtschaftung, die zur Reduzierung der CO2-Emissionen beiträgt	100
Kubikmeter (m^3) Brennholz, das von der NFA in den 8 Distrikten nachhaltig geerntet wurde	10
Investitionsvolumen (EUR) im EE-AF-Produktionssektor	53
Anzahl der Bestimmungen des Forstgesetzes, die in sekundäre Regularien aufgenommen wurden	130

Übergeordnete entwicklungspolitische Wirkungen (Impact)

Georgien hat NDC-Ziele quantifiziert, um die Kapazität des Forstsektors zur Kohlenstoffbindung um 10 % zu erhöhen. Dieses Ziel soll durch die Wiederherstellung geschädigter Wälder, die Unterstützung einer nachhaltigen Waldbewirtschaftung und die Entwicklung eines Waldbewirtschaftungssystems erreicht werden, das den Herausforderungen des Klimawandels gerecht wird. Dennoch verfügte Georgien noch nicht über ein System zum Monitoring sowie zur Messung, Berichterstattung und Überprüfung (*measurement, reporting and verification*, MRV). Darüber hinaus ergab die jüngste nationale Bestandsaufnahme, dass die Degradation der georgischen Wälder bei etwa 35 % liegt und damit viel höher als erwartet. Folglich besteht eine mittlere bis hohe Wahrscheinlichkeit, dass eine geringere Waldschädigung und größere Holzbestände zur Reduzierung der CO2-Emissionen beitragen werden (SDG 13). Die Fortschritte bei der Verwirklichung der Projektziele zur Verringerung der Waldschädigung und zur Verbesserung der Holzbestände sowie das starke Engagement der georgischen Regierung für einen besseren Schutz der Wälder und eine verstärkte nachhaltige Waldbewirtschaftung lassen den Schluss zu, dass die Wahrscheinlichkeit mittel bis hoch ist, dass die Kohlenstoffvorräte der Wälder direkt erhöht und damit die CO2-Emissionen verringert werden. Dennoch sind die Wälder in einem viel schlechteren Zustand als erwartet und die Reform des Forstsektors verzögert sich derzeit. Zusammenfassend lässt sich sagen, dass Georgien das SDG 15 (terrestrische Ökosysteme, nachhaltig bewirtschaftete Wälder, Bodendegradation und Biodiversität) mit mittlerer Wahrscheinlichkeit erreichen wird. Was die Fortschritte Georgiens bei der Förderung des Zugangs zu erschwinglicher, zuverlässiger, nachhaltiger und moderner Energie (SDG 7) betrifft, so konzentriert sich Georgien hauptsächlich auf erneuerbare Energien mit dem Ziel, den Anteil erneuerbarer Energien (Wind- und Solarkraftwerke) an der installierten Kapazität des georgischen Energiesystems bis 2030 auf 18,2 % zu erhöhen. Da fossiles Gas aus Aserbaidschan aufgrund eines bilateralen Abkommens über den Transport von Gas aus Aserbaidschan durch Georgien in die Türkei immer noch sehr billig ist, fördert die Regierung von Georgien auch weiterhin die Nutzung von fossilem Gas als Energiequelle und fördert die Gasifizierung ländlicher Gebiete. Zusammenfassend ergab die Evaluierung, dass Georgien mit mittlerer bis hoher Wahrscheinlichkeit den Zugang zu erschwinglicher, zuverlässiger, nachhaltiger und moderner Energie verbessern wird (SDG 7). Die Anzahl der im Rahmen des Projekts verkauften Energiesparöfen liegt jedoch unter den Erwartungen, wodurch die Reduzierung des Holzverbrauchs in den Haushalten begrenzt wird. Daher kann derzeit nicht bestätigt werden, dass der nicht nachhaltige Holzeinschlag als Beitrag des Projekts reduziert wird, was zu einer geringeren Degradation und einem besseren Schutz der Waldökosysteme führt.

Da es sich bei der Evaluierung um eine Zwischenevaluierung handelt und Ergebnisse auf der Impact-Ebene noch nicht zu erwarten sind, gibt es keine Bewertung des Impact-Kriteriums.

Effizienz

Das Projekt zeichnet sich durch den Einsatz einer großen Anzahl von Expert*innen aus, was angesichts des programmatischen Aufbaus und der Komplexität des Projekts nachvollziehbar ist. Darüber hinaus waren die meisten Mitarbeitenden als technische Expert*innen vor Ort tätig. Die bisher angefallenen Personalkosten belaufen sich jedoch auf insgesamt 63 % des ausgegebenen Projektbudgets, was als relativ hoch angesehen wird, auch angesichts der Tatsache, dass die Indikatoren nicht zu 100 % erfüllt wurden. Die Finanzierungsinstrumente decken etwa 28 % des ausgegebenen Projektbudgets ab und werden hauptsächlich über Partnerorganisationen abgewickelt, was dem Schwerpunkt des Projekts auf Beratungsdiensten und Kapazitätsentwicklung entspricht. Das Projekt ist derzeit leicht verzögert, z. B. bei der Umsetzung der Finanzierungsinstrumente. Die Bewertung der Kosten pro Output ergab, dass die Verteilung der Ressourcen auf die Komponenten angemessen und nachvollziehbar ist. Der Anteil der übergreifenden Kosten für allgemeine Aufgaben ist mit 4 % sehr gering. Das Projekt hat auch erfolgreich einen Großteil seiner Ergebnisse trotz einiger Herausforderungen rechtzeitig und innerhalb des geplanten Zeitrahmens produziert.

Die Umsetzungsstrategie zur Nutzung von Finanzierungsinstrumenten ist sehr effizient, da sie die Kosten für den Einsatz von Lang- und Kurzzeitexpert*innen senkt und zusätzliche Eigenverantwortung in den Partnerinsti-

tutionen schafft. Das Projekt hat erfolgreich erhebliche Mittel durch Partnerbeiträge der georgischen Regierung, der NFA, des Finanzsektors, der EE-AF-Lieferanten, der Auftragnehmer des privaten Forstsektors und der Haushalte mobilisiert, was die Effizienz des Projekts erheblich steigert. Die Beiträge der Partner waren jedoch nicht eindeutig bestimmten Ergebnissen zuzuordnen und wurden daher nicht in das Effizienz-Tool aufgenommen. Darüber hinaus kombiniert das Projekt Mittel von drei Geberorganisationen, was bemerkenswerte Synergien schafft und die Effizienz des Projekts erhöht.

Insgesamt wird die Effizienz des Projekts mit 83 von 100 Punkten bewertet.

Nachhaltigkeit

Das Projekt ECO.Georgia, das sich noch in der Halbzeit befindet, zeigt bereits deutliche Fortschritte bei der Erreichung nachhaltiger Forstwirtschaft in Georgien. Es legt den Schwerpunkt auf den Aufbau von Kapazitäten durch Schulungsprogramme, rechtliche Rahmenbedingungen und SFM-Praktiken. Zu den wichtigsten Errungenschaften gehören die Entwicklung von forstwirtschaftlichen Bildungsprogrammen an Berufsschulen und Universitäten, Initiativen zur beruflichen Bildung und die Etablierung von *Business Service Yards* (BSY) als Modelle für nachhaltige Betriebsabläufe sowie die Institutionalisierung von Umwelt- und Sozialstandards (*Environmental and Social Safeguards*, ESS) und die Einrichtung eines Feedback-Mechanismus für den Sektor in der NFA. Diese Bemühungen haben die Kapazitäten der wichtigsten Begünstigten und Partner erheblich gestärkt. Die Nachhaltigkeit auf kommunaler Ebene ist jedoch weiterhin ungewiss, da die Gemeinden derzeit nicht über Waldbesitz verfügen und in den nächsten fünf bis acht Jahren keine Pläne für eine Übertragung von Ressourcen bestehen.

ECO.Georgia ist innovativ in seinem ganzheitlichen Ansatz der Anpassung an den Klimawandel und der Minderung von THG-Emissionen. Durch die Förderung von Energiesparöfen, nachhaltiger Waldbewirtschaftung und Aufforstung reduziert das Projekt die Nachfrage nach Waldressourcen, senkt die THG-Emissionen und generiert zusätzliche Einnahmen für die NFA, wodurch weitere Kapazitätsverbesserungen ermöglicht werden. Die BSY, deren Modell von der georgischen Regierung als grundlegend angesehen wird, werden zu einer wichtigen Quelle für Brennholz, wenn der soziale Holzeinschlag im Jahr 2026 verboten wird. Die Strukturen und das Design der über das Vorhaben aufgebauten BSY gelten als Standards für die zukünftige Entwicklung von aus dem Staatshaushalt unterstützten BSY in Georgien. Ebenso hat die NFA das im Rahmen des Projekts umgesetzte europäische Standardmodell für den Bau von Forststraßen als Maßstab für die künftige Entwicklung von Forststraßen in Georgien festgelegt. Die Behörde arbeitet nun an einer Änderung der Vorschriften für das öffentliche Beschaffungswesen, um diesen Standard in künftigen Projekten zu institutionalisieren. Eine bedeutende Innovation ist die Integration eines Umwelt-, Sozial-, Gesundheits- und Sicherheitsmanagementsystems (*Environmental, Social, Health and Safety Management System* ESHS MS) in BSY sowie in den Bau und die Sanierung von Forststraßen. Um dies zu erreichen, wurde die Anwendung der besten internationalen Standards, insbesondere für Forststraßen, als Teil der Minderungsmaßnahmen integriert. Darüber hinaus stellt die Einrichtung eines Beschwerde- und Feedbackmechanismus für den Forstsektor eine weitere wichtige Neuerung in der nachhaltigen Waldbewirtschaftung dar.

Dennoch gibt es weiterhin Herausforderungen. Die im Rahmen der nationalen Forstinventur festgestellte starke Waldschädigung hat dazu geführt, dass die Prioritäten von der Erzielung von Holzeinnahmen auf ökologische und soziale Vorteile verlagert wurden, was die ursprüngliche Annahme des Projekts in Frage stellt, dass die SFM-Aktivitäten durch Holzverkäufe finanziert werden könnten. Der Mangel an kommerziell wertvollem Holz macht es unmöglich, die finanzielle Unabhängigkeit der NFA durch Holzeinschlag zu erreichen. Stattdessen plant die Regierung, den Forstsektor für das nächste Jahrzehnt zu subventionieren, um Nachhaltigkeit zu gewährleisten und gleichzeitig die Ökosystemleistungen und den Katastrophenschutz aufrechtzuerhalten. ECO.Georgia ist gut aufgestellt, um diese Herausforderungen anzugehen. Durch die Stärkung der Kapazitäten

relevanter Dienste und die Sicherung einer langfristigen Unterstützung aus dem Staatshaushalt legt das Projekt eine solide Grundlage für die Erreichung seiner Ziele und die Gewährleistung der Nachhaltigkeit seiner Ergebnisse.

Da es sich um eine Zwischenbewertung handelt und die Nachhaltigkeit der Ergebnisse noch nicht abzusehen ist, wird das Nachhaltigkeitskriterium nicht bewertet.

Gesamtbewertung

Mit einer Gesamtpunktzahl von 87 von 100 Punkten erhält das Projekt ECO.Georgia eine Gesamtbewertung der Stufe 2 (erfolgreich). Die Evaluierung ergab, dass das Projekt von hoher Relevanz und sehr kohärent ist. Es war auch erfolgreich bei der Erzielung seiner Ergebnisse und in Bezug auf seine Effizienz. Das Projekt muss zusätzliche Anstrengungen unternehmen, um die erwarteten übergeordneten entwicklungspolitischen Wirkungen (Impact) zu erzielen und die Nachhaltigkeit seiner Ergebnisse bis zum Ende des Projekts sicherzustellen.

Die Hauptgründe für den Erfolg des Projekts liegen im starken politischen und finanziellen Engagement der georgischen Partner und im ganzheitlichen Ansatz des Projekts, der alle relevanten Interessengruppen einbezieht. Die kombinierte Finanzierung durch drei Geberorganisationen und die georgische Regierung schuf sehr starke Synergien und legte den Grundstein für eine erhebliche Wirkung auf den Forstsektor in Georgien. Das Projekt musste sich auch Herausforderungen stellen, insbesondere im Hinblick auf die Marktentwicklung für Energiesparöfen, insbesondere einem geringeren Interesse der Verbraucher als erwartet und gestiegenen Metallpreisen aufgrund des russischen Krieges in der Ukraine. Das kürzlich verabschiedete Gesetz über die Transparenz ausländischer Einflussnahme und der zunehmende russische Einfluss könnten auch dazu führen, dass sich die georgische Regierung von den europäischen Grundsätzen der Demokratie distanziert und somit die Strukturen zur Umsetzung des Projekts und das Interesse internationaler Geber an einer Fortsetzung ihrer Unterstützung geschwächt werden.

Tabelle: Bewertung der OECD-DAC Evaluierungskriterien

Kriterium	Punktzahl (von 100)	Bewertung 1 (sehr erfolgreich) bis 6 (gänzlich erfolglos)	Kriterium	Punktzahl (von 100)	Bewertung 1 (sehr erfolgreich) bis 6 (gänzlich erfolglos)
Relevanz	91	Stufe 2: erfolgreich	Impact	-	Nicht bewertet
Kohärenz	90	Stufe 2: erfolgreich	Effizienz	83	Stufe 2: erfolgreich
Effektivität	85	Stufe 2: erfolgreich	Nachhaltigkeit	-	Nicht bewertet
Gesamtbewertung				**87**	**Stufe 2: erfolgreich**

Schlussfolgerungen sowie Erfolgs- und Misserfolgsfaktoren

Bei der Evaluierung wurden mehrere **Erfolgsfaktoren** des Projekts ermittelt. Die Hebelwirkung beträchtlicher Mittel durch Partnerbeiträge der georgischen Regierung, der NFA, des Finanzsektors, der EE-AF-Lieferanten, der Auftragnehmer des privaten Forstsektors und der Haushalte fördert die Kohärenz, Effektivität und Effizienz des Projekts. Der sehr starke politische Wille der georgischen Regierung, die nachhaltige Waldbewirtschaftung zu fördern, und das sehr starke Engagement der georgischen Partner erleichtern die Projektumsetzung deutlich. Die Kombination von Mitteln aus drei Geberorganisationen erhöht die Effizienz des Projekts erheblich. Ein großer Vorteil von ECO.Georgia ist sein ganzheitlicher Ansatz, der alle relevanten Interessengruppen (Zentralregierung, Behörden, Gemeinden, NGOs und Privatsektor) und Themenbereiche einbezieht. Die Kofinanzierung durch die DEZA schloss eine Lücke in Bezug auf die menschliche Dimension der Forstsektorreform. Schließlich trugen das starke Engagement der Projektmitarbeitenden und das vorbildliche Projektmanagement zu einer erfolgreichen Projektumsetzung bei.

Bei der Evaluierung wurden auch mehrere Faktoren ermittelt, die **Herausforderungen** für das Projekt darstellen. Ein wichtiger interner Faktor und eine Herausforderung ist die Verzögerung bei der Reform des Forstsektors. Was die Schwierigkeit betrifft, einen nachhaltigen Markt für Energiesparöfen zu schaffen, so liegen die größten Herausforderungen darin, dass die Preise für Energiesparöfen höher sind und das Interesse der Verbraucher, Energiesparöfen zu kaufen, geringer ist als erwartet. Die Verfahren für den Zugang zu den Subventionen für Energiesparöfen sowie die Rückzahlungsprogramme sind für einige Begünstigte zu langwierig oder zu komplex. Darüber hinaus reicht Mundpropaganda für Energiesparöfen nicht aus. Was die nachhaltige Waldbewirtschaftung betrifft, besteht die größte Herausforderung darin, dass die Qualität und Quantität des Holzes geringer ist als erwartet. Folglich können die Wälder nicht die erwartete Menge und Qualität an Holz liefern, weshalb das Geschäftsmodell der NFA möglicherweise aktualisiert werden muss. Eine externe Herausforderung für das Projekt ECO.Georgia besteht darin, dass die NRO aufgrund des Gesetzes über die Transparenz ausländischer Einflüsse möglicherweise nicht in der Lage sind, ihre Tätigkeit im Projekt fortzusetzen.

Was die **Innovationsfähigkeit** betrifft, so hat ECO.Georgia Innovationen auf verschiedenen Ebenen stark gefördert. Hinsichtlich der Projektfinanzierung wurde festgestellt, dass erfolgreich Mittel von der georgischen Regierung und anderen georgischen Akteuren mobilisiert wurden. Im Hinblick auf die thematische Innovation hat das Projekt innovative Prozesse angestoßen, z. B. durch die Einrichtung neuer Datenmanagementsysteme, die in forstbezogenen MRV-Systemen eingesetzt werden sollen.

In Bezug auf die **Kohärenz bei der Klimafinanzierung** ergab die Evaluierung, dass das Projekt ECO.Georgia eines von sechs vom GCF (ko-)finanzierten Projekten in Georgien oder in mehreren Ländern, darunter Georgien, ist. Zusammenfassend lässt sich sagen, dass sich zwei Projekte auf die Klimafinanzierung und zwei weitere Projekte auf städtische Gebiete konzentrieren, während ein Projekt die Klimawissenschaft und -anpassung stärkt. Zusätzlich zu den vom GCF finanzierten Programmen und Projekten hat die International Finance Corporation (IFC) im Jahr 2024 erklärt, dass sie 150 Millionen USD in die TBC Bank, Georgiens größte Bank, investiert, um kleinen und mittleren Unternehmen den Zugang zu Finanzmitteln zu verbessern und den Klimafinanzierungsmarkt des Landes zu stärken. Mit seinem besonderen Fokus auf die Reduzierung von Emissionen durch Landnutzung, Wiederaufforstung, Reduzierung der Entwaldung und durch nachhaltige Waldbewirtschaftung und Verbesserung der Kohlenstoffvorräte in Wäldern ist ECO.Georgia ein einzigartiges Projekt und ergänzt die anderen Klimafinanzierungsinitiativen optimal.

Das Projekt fördert aktiv die **Gleichstellung der Geschlechter** und hat einen Gender-Aktionsplan (GAP) ausgearbeitet, der Maßnahmen, Ziele und Indikatoren für jede Aktivität enthält. Der GAP ist umfassend und wird im Monitoringsystem des Projekts aktiv verfolgt (GIZ, 2024e). Darüber hinaus hat ECO.Georgia mehrere geschlechtsspezifische Studien durchgeführt und geschlechtsspezifische Maßnahmen umgesetzt, insbesondere um die Geschlechtergleichstellung in der nachhaltigen Waldbewirtschaftung, im FMP oder in forstbezogenen Wertschöpfungsketten zu verankern. Darüber hinaus wurde die Gender-Dimension des Gutscheinprogramms für Energiesparöfen bewertet und es wurden Vorschläge für Änderungen unterbreitet. Die Evaluierung kommt daher zu dem Schluss, dass das Projekt mit hoher Wahrscheinlichkeit positive Auswirkungen für Frauen haben wird. Obwohl die meisten der erwarteten Auswirkungen noch nicht sichtbar sind, da die Prozesse Zeit benötigen, um Veränderungen nachzuweisen, können bestimmte unmittelbare Vorteile für Frauen durch Schulungen zu Wertschöpfungsketten, die Entwicklung von Geschäftsplänen und Förderprogramme bereits erfasst werden.

Empfehlungen

Hinsichtlich des **Projektdesigns** wird empfohlen, die Indikatoren anzupassen, insbesondere für das Ziel M6.0 und Schlüsselergebnis 3. Darüber hinaus muss Basiswert für Schlüsselergebnis 1 unter Berücksichtigung der tatsächlichen Situation der Wälder aktualisiert werden. Da sich die Projektergebnisse vor allem aufgrund externer Faktoren leicht verzögern, wird empfohlen, die **Projektlaufzeit** nach Möglichkeit um mindestens ein Jahr

zu verlängern, um die Wahrscheinlichkeit zu erhöhen, dass die erwarteten Ergebnisse erzielt werden. Im Hinblick auf das **Projektmanagement** müssen die Auswirkungen des Gesetzes über die Transparenz ausländischer Einflussnahme auf die Projektumsetzung diskutiert werden, insbesondere in Bezug auf die Zusammenarbeit mit NROs.

Es werden mehrere Maßnahmen empfohlen, um die **Projektumsetzung** zu stärken. Zur Erhöhung des Marktvolumens von Energiesparöfen sind Sensibilisierungs- und Marketingkampagnen für Energiesparöfen erforderlich. Außerdem sollte mit den Geberorganisationen besprochen werden, ob die Subventionen für die Öfen erhöht werden können. Darüber hinaus sollten EE-Öfen in allen öffentlichen Gebäuden, die nicht mit Gas betrieben werden, gefördert und die Zertifizierungsrate von EE-Öfen erhöht werden, auch durch die Einbeziehung importierter Öfen. Im Hinblick auf die nachhaltige Waldbewirtschaftung ist eine zusätzliche Sensibilisierung für die Auswirkungen des illegalen Holzeinschlags erforderlich. Darüber hinaus sollte die Förderung von BSY intensiviert werden.

Im Hinblick auf die Gestaltung einer möglicherweise anstehenden Folgephase der DEZA-finanzierten Komponente 3 wird empfohlen, die **lokalen Beiräte** weiter zu stärken, um die Beteiligung auf Gemeindeebene zu fördern. Da waldabhängige Bevölkerungsgruppen nicht immer die Auswirkungen des illegalen Holzeinschlags und die Notwendigkeit einer nachhaltigen Waldbewirtschaftung verstehen, sollte der **Beteiligungsmechanismus** in den Gemeinden im Hinblick auf die Umsetzung des Forstgesetzes gestärkt werden. Darüber hinaus besteht Bedarf an mehr Kommunikation zwischen der NFA und der Bevölkerung. Der „Beschwerdemechanismus“ ist eine der Erfolgsgeschichten des Projekts und sollte eingeführt werden. Gemeinden, die ein besonderes Interesse daran zeigen, Verantwortung für die Waldbewirtschaftung und den Naturschutz zu übernehmen, benötigen möglicherweise auch eine zusätzliche Stärkung ihrer **technischen Kapazitäten**, insbesondere durch Schulungen in nachhaltiger Waldbewirtschaftung. In Bezug auf die Entwicklung forstwirtschaftlicher **Wertschöpfungsketten** zeigte das Projekt erste ermutigende Ergebnisse, die eingeführt werden sollten, jedoch mit einem klaren Schwerpunkt auf nachhaltiger Waldbewirtschaftung und Naturschutz.

The project at a glance

Georgia: Green Transformation Georgia (ECO.Georgia)

Project numbers	GCF: FP 132 BMZ: PN 2020.2275.4 SDC: Credit proposal no. 7F-10387.01.02
Creditor reporting system codes	31210 – Forestry policy and administrative management (25%) 31261 – Fuelwood/charcoal (25%) 41030 – Biodiversity (25%) 23183 – Energy conservation and demand-side efficiency (25%)
Project objectives	Fund-level outcome M6.0: Increased number of small, medium and large low-emission power suppliers. Fund-level outcome M9.0: Improved management of land or forest areas contributing to emissions reductions. BMZ objective: The contribution of the Georgian forestry sector to climate protection is increased. SDC outcome 1: The municipal authorities and citizens have and use relevant technical and human capacities to participate in the sustainable management of forests in the target regions. SDC outcome 2: Men and women in target communities benefit from diversified income opportunities thanks to forest-related value chains, forest-related knowledge and skills.
Project term	GCF: April 2021 – September 2028 BMZ: April 2021 – March 2029 SDC: September 2021 – September 2025
Project value	EUR 49,150,801, including: EUR 35,038,015 from GCF EUR 10,000,000 from BMZ EUR 4,090,000 from SDC plus EUR 128,556,871 indirectly from Georgian partner organisations)
Commissioning parties	Green Climate Fund (GCF) German Federal Ministry for Economic Cooperation and Development (BMZ) Swiss Agency for Development and Cooperation (SDC)
Lead executing agencies	Ministry of Environmental Protection and Agriculture (MEPA) Ministry of Economic and Sustainable Development (MESD)
Implementing partner organisations (in the partner country)	National Forestry Agency (NFA) Department of Environmental Supervision (DES) Environmental Information and Education Centre (EIEC) Rural Development Agency (RDA) Biodiversity and Forest Department (BFD) of MEPA
Target group(s)	Direct target group: • officers at technical and managerial levels within MEPA and its downstream authorities, especially NFA, EIEC, DES, RDA and BFD, • staff of the municipal administrations at local level, • staff of TVET colleges and TVET teachers, • officers at technical and managerial levels within other stakeholders, e.g. MESD, NGOs, private sector companies and finance institutions, and • population groups and entrepreneurs at community level benefiting directly from model projects and measures. The indirect target group is the rural population predominantly affected by poverty in the three Georgian regions of Guria, Kakheti and Mtskheta-Mtianeti.
Development cooperation (DC) programme	not applicable
Reporting year	2024

1 Evaluation objectives and questions

This chapter aims to describe the purpose of the evaluation, the standard evaluation criteria, and additional stakeholders' knowledge interests and evaluation questions.

1.1 Evaluation objectives

Central project evaluations (CPEs) of projects commissioned by German Federal Ministry for Economic Cooperation and Development (BMZ) fulfil three basic functions: they support evidence-based decisions, promote transparency and accountability, and foster organisational learning within the scope of contributing to effective knowledge management. Deutsche Gesellschaft für Internationale Zusammenarbeit GmbH (GIZ) structures the planning, implementation and use of evaluations so that the contribution the evaluation process and the evaluation findings make to these basic functions is optimised (GIZ, 2022d).

Evaluations of projects cofinanced by the Green Climate Fund (GCF) follow the methodological standards set by the CPE system. The project titled Green Transformation Georgia (ECO.Georgia) was selected for a mid-term evaluation as an integral part of the GCF project cycle. In addition, the evaluation was expected to provide information on the achievements of the project results, which were financed through the Swiss Agency for Development and Cooperation (SDC). Owing to the nature and timing of the mid-term review, the evaluation criteria 'impact' and 'sustainability' were not rated quantitatively.

The evaluation was limited in that the mid-term targets used to evaluate effectiveness will not be measurable until 2025. The project will not carry out the corresponding data collection activities and assessments, in particular regarding the achievement of indicators, until the first quarter of 2025. Consequently, the availability of data to measure the achievement of some indicators was limited. The strategy to address this limitation involved working with the project team to select the indicators for which data was available. In addition, the evaluation collected the opinions of interviewees to estimate the probability of the objectives being achieved.

Due to its complex financial structure, composed of contributions from three donors (GCF, BMZ and SDC), the project management team is required to follow three separate logical frameworks and result matrices, each with varying definitions of impact, outcome and output levels. Additionally, some indicators overlap, while others are different, which makes it challenging to properly define the indicators to be evaluated. The evaluation addressed this limitation by basing its assessment mainly on the GCF logical framework, which fully incorporates the BMZ logic. In addition, the evaluation selectively assessed SDC-specific results and indicators.

1.2 Evaluation questions

The project is assessed based on standardised evaluation criteria and questions to ensure comparability by GIZ. This is based on the Organisation for Economic Cooperation and Development (OECD) Development Assistance Committee (DAC) evaluation criteria (updated 2020) for international cooperation and the evaluation criteria for German bilateral cooperation (BMZ, 2021): **relevance, coherence, efficiency**, **effectiveness**, **impact** and **sustainability**.

Specific assessment dimensions and evaluation questions have been derived from this given framework by BMZ. These assessment dimensions and evaluation questions are the basis for all CPEs in GIZ and can be

found in the Annex. In addition, contributions to the 2030 Agenda for Sustainable Development and its principles are also considered as well as cross-cutting issues such as gender, the environment, conflict sensitivity and human rights. Furthermore, the **guiding evaluation questions from GCF** were integrated into the evaluation matrix. Given the limitations of this mid-term evaluation, the commissioner and key stakeholders agreed to adjustments of the evaluation matrix, and these are marked in the evaluation matrix (Annex).

The main evaluation interests by key stakeholders are listed in Table 1. These were collected in interviews and during the inception workshop. As the project is set to run until 2029, no follow-up project is planned yet, and there was no predecessor. Thus, there were no special interests in this regard. Nevertheless, given that the cofinancing by SDC will come to an end in September 2025, the evaluation took a closer look at achievements and findings within the project's SDC-funded component 3 and developed specific recommendations for a potential second phase.

Table 1: Knowledge interests by main evaluation stakeholder groups

Evaluation stakeholder group	Particular subjects of interest in evaluation / additional evaluation questions	Relevant section in this report
BMZ	What are the recommendations to restructure the project since the achievement of indicators might be delayed?	Effectiveness, recommendations
BMZ	How can synergies with KfW Development Bank-financed projects be optimised?	Coherence
BMZ	How can the project's outreach be enhanced?	Impact
BMZ	What are the recommendations for policy dialogue between Georgian partners and donor organisations?	Impact, sustainability
SDC	What are the project results at the level of municipalities and local government?	Effectiveness
SDC	What are the recommendations for a potential second phase of the SDC-funded component?	Recommendations
GIZ	Does the 'foreign agent' law have an impact on the project implementation and results?	Efficiency, effectiveness

2 Object of the evaluation

This chapter aims to define the evaluation object, including the theory of change (ToC), and results hypotheses.

2.1 Definition of the evaluation object

The **evaluation object** is the technical cooperation measure titled Green Transformation Georgia (ECO.Georgia) (FP132/PN 2020.2275.4). The project assists the Government of Georgia (GoG) in implementing its transformative forest sector reform agenda by placing all of the nation's forests under the sustainable forest management (SFM) framework. It seeks to achieve this by supporting the establishment of a nationwide SFM system and implementing this in eight target forest districts under component 1 (Sustainable forest management). Under component 2 (Promoting market development for energy-efficient stoves and alternative fuels), it ad-

dresses the main driver of Georgia's forest degradation: unsustainable fuelwood consumption by the rural population. Component 3 (Livelihood opportunities and local self-governance in forest management) addresses the potential adverse effects of forest sector reform and safeguards the implementation of reforms by diversifying livelihood opportunities and strengthening local self-governance in forest-adjoining rural communities.

The project's current **timeframe** spans from April 2021 to March 2029, with SDC financing running until September 2025 and that of GCF until 30 September 2028.

In terms of **financial scope**, ECO.Georgia has a commissioning value of EUR 49,150,801. The commission comprises EUR 35,038,015 from GCF, EUR 10,000,000 from BMZ and EUR 4,090,000 from SDC. All contributions form part of the evaluation object. Follow-on cofinancing by SDC (approximately EUR 4,200,000 for three to four years) is foreseen. Furthermore, contributions of up to EUR 128,556,871 from political partners, along with executing entities and other implementation partners, are indirectly part of the evaluation object, but were not subject to this evaluation:

- EUR 701,820 from GoG represented by the Ministry of Environmental Protection and Agriculture (MEPA) and the Ministry of Economy and Sustainable Development (MESD),
- EUR 92,611,273 from the National Forestry Agency (NFA), a legal entity of public law of MEPA,
- EUR 3,852,930 from the Department of Environmental Supervision (DES) a state sub-agency of MEPA representing GoG,
- EUR 18,895,452 from the Rural Development Agency (RDA), a non-entrepreneurial (non-commercial) legal entity of MEPA,
- EUR 1,995,396 from the Environmental Information and Education Centre (EIEC), a legal entity of public law of MEPA, and
- up to EUR 10,500,000 in the form of loans from Crystal, a Georgian microfinance institution (MFI).

Forests account for around 44.5% of Georgia's land cover and are a critical resource for the country's socioeconomic development and biodiversity. There are 1.89 million hectares of forested land under the management of NFA. Regarding its **geographic scope**, the project covers 270,807 hectares of state-managed forests in the target regions, which are implementing SFM practices. The project focuses on three target regions that will serve as a model for the implementation of SFM: Guria, Kakheti and Mtskheta-Mtianeti. In the target regions, eight out of 14 forest districts are subject to SFM planning and implementation within the framework of this project. These were selected through a comprehensive process. The area represents a balance of forest types in western and eastern Georgia and account for 14% of Georgia's forests.

With regard to the **political and sectoral context and framework conditions**, forests are a critical resource for socioeconomic development, especially for Georgia's rural population, since they provide the timber and fuelwood necessary for everyday life. Up to 90% of rural households rely partially or completely on fuelwood for space and domestic hot water heating, as well as for cooking. However, the unsustainable use of forest resources, primarily for fuelwood—the main source of energy in rural areas—has resulted in overharvesting and degradation of Georgia's forest resources. Fuelwood demand exceeds sustainable harvesting levels given the reduced productivity of many forests in the country because of extensive forest degradation. The problem is exacerbated by the fact that households use obsolete technologies, such as traditional stoves with a lifetime of two years and an efficiency rate of 35% or less.

Georgia's forests play a pivotal role in regulating net greenhouse gas (GHG) emissions, and their carbon sink potential is critical for securing the net removal of GHG emissions. After the collapse of the Soviet economic system, Georgia's GHG emissions decreased rapidly and reached their lowest point in 1995 (8,799 Gg CO_2eq). After that, at a time of economic recovery, emissions started to increase and had doubled by 2013 (16,679 Gg in CO_2eq), but were still 35% of 1990 emissions. Based on the current trend, GHG emissions are expected to continue rising until 2030, by approximately 70% to 28,690 Gg CO_2eq in 2030 in business as

usual (BAU) scenarios and by 33% under the low-emission development scenario (Low Emission Development Strategy, USAID 2017, Tbilisi, Georgia). Land use, land-use change and forestry (LULUCF) is one of the most significant sectors in Georgia's GHG emissions profile. Georgia's forests play an important role in regulating the country's net GHG emissions, having removed an average of ~5,400 Gg CO2eq annually from 2010 to 2013, i.e. one-third of national emissions. However, the absorption capacity of the land use, land-use change and forestry sector is decreasing; the projected annual CO2 absorption by forests is expected to decrease five-fold between 1990 and 2030 and by 1.5 times between 2015 and 2030. Climate change is also having a negative impact on Georgia's forests. As a result of the ongoing degradation, the capacity of Georgian forests to provide goods and services has declined, most notably their carbon capture potential.

GoG prioritised the forest sector in its Nationally Determined Contribution (NDC) in an effort to reduce GHG emissions by 6 million tCO2eq by introducing SFM in 250,000 ha of state-managed forest land between 2020 and 2030. SFM in the context of Georgia seeks to achieve a balance between society's increasing demand for forest products (fuel) and benefits, and the preservation of forest health, diversity, mitigation potential and other ecosystem services. The project will enable GoG to implement its transformational forest sector reform agenda to incorporate all of the nation's forests into the SFM framework. This is expected to lead to improvements in the quantitative and qualitative characteristics of forests and a gradual build-up of carbon stock. The project is promoting market development for energy-efficient (EE) stoves and alternative fuels (AF) to address the primary driver of Georgia's forest degradation: the unsustainable consumption of fuelwood by the rural population. Additionally, the project is addressing reform implementation by diversifying livelihood opportunities and strengthening local self-governance in forest-adjoining rural communities.

2.2 Results model including hypotheses

The ToC is the central basis for the theory-based evaluation approach. It is used to assess all six OECD DAC criteria. The following definitions (Table 2) are derived from the Guidelines on Designing and Using a Results-Based Monitoring System (GIZ, 2014a).

Table 2: Results level terminology

Terminology	Definitions
Results	GIZ understands results as the intended or unintended, positive or negative changes in a situation or behaviour as the direct or indirect consequence of an intervention. Results are mapped in a systemic GIZ results model and implicitly include impacts, outcomes and outputs. OECD DAC and BMZ also define results as the overall term for impacts, outcomes and outputs. The BMZ definition is in line with OECD DAC.
Impacts	Impacts are the [...] higher-level development results (is in line with OECD DAC).
Outcomes	Outcomes are the […] changes that occur as a consequence of the use of an intervention's outputs. They correspond more or less to the achievement of the […] project objective and include both the use of the outputs delivered by the project by the intermediaries and target groups, and the direct benefit.
Outputs	Outputs describe the changes and conditions achieved by the project's activities, such as products, goods, services, acquired technical skills and knowledge, institutions and regulations.

As the ToC is based on GCF terminology, additional terms, such as component, activity and key result, were used for the evaluation and are described in the following paragraphs.

Project structure

In accordance with the **GCF funding proposal**, the ECO.Georgia project is structured into three **components**:

- component 1: Sustainable forest management,
- component 2: Market development for energy efficiency and alternative fuels, and
- component 3: Livelihood opportunities and local self-governance in forest management.

There are no specific objectives or indicators for the components. Each component is structured into **activities** and **sub-activities**, which include specific deliverables and milestones. From a methodological point of view, activities and sub-activities describe a low-level use of project products (deliverables) and, therefore, correspond to output level.

Project objectives (outcome level)

In accordance with the **GCF funding proposal**, the ECO.Georgia project seeks to achieve two **fund-level outcomes**:

- M6.0: Increased number of small, medium-sized and large low-emission power suppliers, and
- M9.0: Improved management of land or forest areas contributing to emissions reductions.

In addition, the project is expected to achieve **five key results**, which are, methodologically speaking, also located at outcome level:

- key result 1: Reduced forest degradation and enhanced timber stocks,
- key result 2: Fuelwood supply transition from illegal harvesting to sustainable level of harvesting by NFA for the population of the three target regions,
- key result 3: Self-sustaining level of growth of EE-AF market reached,
- key result 4: Roll-out of SFM and continuous EE-AF market development secured via enabling regulatory framework, and
- key result 5: Livelihood opportunities are diversified and local self-governance in forest management is strengthened, leading to reduced pressure on forests.

In addition to the GCF funding proposal, the project encompasses a results matrix for the BMZ funding and an SDC logical framework for the SDC-funded component. All three logical frameworks and result models are interlinked. For more information, please refer to the results model (below in this chapter) and Chapter 4.4 (Effectiveness).

Implementing partners

For the implementation of the ECO.Georgia project, GCF, as a funder, requested the following key actors: an accredited entity (AE) to provide oversight and act as the manager of the project, several executing entities responsible for implementing the activities, and a national designated authority (NDA) to serve as a focal point between the partner country and GCF.

MEPA is the national designated authority for Georgia, and helps ensure alignment between ECO.Georgia and the country's national goals. The **GCF Oversight Unit** at GIZ's corporate head office functions as the accredited entity for the project, while **GIZ Georgia** assumes the role of an executing entity.[1] In addition to GIZ, the following are executing entities:

- National Forestry Agency (**NFA**),
- Department of Environmental Supervision (**DES**),
- Environmental Information and Education Centre (**EIEC**) and
- Rural Development Agency (**RDA**).

Furthermore, ECO.Georgia involves other relevant stakeholders, such as the State Procurement Agency (SPA), MESD, municipalities and local governments, non-governmental organisations (NGOs) and private sector companies.

Target groups

The **direct target group** of the ECO.Georgia project are:

- officers and experts at technical and managerial level from the different stakeholders at regional level (in the project's three target regions, namely Guria, Kakheti and Mtskheta-Mtianeti) and at national level within MEPA and its downstream authorities, especially NFA, EIEC, DES, RDA and the Biodiversity and Forest Department (BDF),
- staff of the municipal administrations and/or local governments in the project's three target regions,
- staff of technical and vocational education and training (TVET) colleges and TVET teachers,
- staff at technical and managerial levels within other stakeholders, such as MESD, NGOs, private sector companies and finance institutions, and
- population groups and entrepreneurs at community level benefiting directly from model projects and measures in the project regions situated in the three Georgian regions of Guria, Kakheti and Mtskheta-Mtianeti.

The **indirect target group** of ECO.Georgia is the rural population predominantly affected by poverty in the three Georgian regions of Guria, Kakheti and Mtskheta-Mtianeti (with an average poverty rate of approximately 25%), which are largely representative of the entire country in terms of economic, social and environmental aspects. Georgia is severely affected by inequality. Although the Gini index has fallen in recent years, poverty in rural areas is still far higher than in the cities (which is approximately 17%). For additional information, please refer to the target group analysis in Chapter 4.2.

Output level

Component 1 (Sustainable forest management) clusters activities and sub-activities intended to implement sustainable, climate-adapted forest management that will promote climate protection. To this end, the project seeks to ensure that eight forest districts (Kvareli, Dedoplistskaro, Telavi, Tianeti, Chokhatauri, Ozurgeti, Lanchkhuti and Akhmeta) within the three target regions (Kakheti, Guria and Mtskheta-Mtianeti) have access to

[1] GIZ established strict procedures to guarantee separation between the two functions (GCF funding proposal, 2019).

SFM plans, which are expected to be implemented in selected forests (**activity 1.1**). To strengthen forest supervision, it is anticipated that DES will have strengthened procedures, standards and protocols for enhanced forest supervision at its disposal and that improved forest supervision measures and technologies will be implemented (**activity 1.2**). In addition, ECO.Georgia seeks to ensure that the provision of sustainably produced fuelwood is fostered by supporting NFA to establish a model sustainable fuelwood supply chain in the above-mentioned eight target districts. In particular, the plan is to strengthen NFA, which is responsible for procurement and construction, in the development and operation of Business Service Yards (BSYs). This will be achieved through construction of the yards, equipment procurement, BSY staff training, support for operational planning and active monitoring of the yards (**activity 1.3**). Moreover, ECO.Georgia aims to ensure that the enabling environment to facilitate the nationwide adoption of SFM is strengthened, especially by adjusting the regulatory framework, improving sector steering and coordination between the sectors involved, and improving forest sector training and vocational education. It also proposes to strengthen cross-sectoral planning and fosters the mainstreaming of climate change into national sector policies, training and guidelines, as well as forest management plans (FMPs) (**activity 1.4**). Moreover, the monitoring and measurement, reporting and verification (MRV) systems for the forest sector are expected to improve, particularly through the development of a Forest Information and Monitoring System (FIMS), aligned with national MRV requirements (**activity 1.5**).

Component 1 is financed by GCF (EUR 22,045,094) and BMZ (EUR 4,932,426) and includes cofinancing by GoG (EUR 111,932,305).

Component 2 (Market development for energy efficiency and alternative fuels) tackles the main driver of forest degradation, i.e. unsustainable fuelwood consumption, by promoting the development of a market for EE technologies and low-carbon AFs. To this end, the ECO.Georgia project aims to facilitate the creation and expedited growth of the supply chain for EE and low-carbon AF solutions. In particular, it plans to establish a Technical Assistance and Investment Support Facility (TAISF) focusing on EE stoves and upgraded solid biofuel (USB) products from forest and agricultural residue. In parallel, it aims to identify and assess the feasibility of other EE-AF alternatives for which a supply chain does not yet exist in Georgia (**activity 2.1**). To jump start the market and significantly scale up the demand for EE-AF products in the target regions, the project foresees the implementation of consumer financing instruments for EE-AF solutions by national financial organisations, local banks and microfinance institutions (MFIs) (**activity 2.2**). In addition, it expects consumer awareness about EE-AF solutions, national forest sector reforms and their implication for fuelwood supply to increase (**activity 2.3**). Moreover, it envisages the creation of a conducive policy and regulatory environment to develop the EE-AF market. On one hand, the capacity to introduce and enforce energy efficiency and environmental standards, as well as labelling for EE-AF solutions, is expected to be strengthened. On the other hand, the introduction of EE procurement practices in the public sector is also planned (**activity 2.4**).

Component 2 is financed by GCF (EUR 12,555,649) and BMZ (EUR 3,451,282) and includes cofinancing by GoG (EUR 3,668,732) and CRYSTAL (EUR 10,500,000).

Component 3 (Livelihood opportunities and local self-governance in forest management) aims to ensure a fair and participatory transition to the new forest management approach through the transparent and active participation of local communities in forest management and the diversification of livelihood options. To this end, it plans to strengthen the technical capacities of municipalities and citizens to engage in forest management and conservation, mainly by developing and introducing tools, practices, plans and economic planning instruments (**activity 3.1**). It also seeks to introduce participation and interest protection mechanisms to ensure transparent and inclusive forest management planning and implementation (**activity 3.2**). Additionally, it envisages that professional skills and knowledge for forest management and conservation are developed through vocational education and international university partnerships with centres of knowledge (**activity 3.3**). Moreover, it plans to strengthen various forest-related value chains, such as timber, non-timber forest products (NTFPs) and ecotourism (**activity 3.4**).

Component 3 is financed by SDC (EUR 4,087,000).

Outcome level

All activities and sub-activities are intended to contribute to the project outcomes and key results, which are also located at outcome level. The underlying hypotheses for component 1 are that, as a consequence of these activities, the management of forest areas will improve (**outcome M9.0**), the fuelwood supply transition will increase (**key result 2**), forest degradation will reduce and timber stocks will be enhanced (**key result 1**). The **assumption** regarding component 1 and its associated results is that, without introducing SFM, poor forest management will continue.

Regarding component 2, the **hypotheses** are that, through these activities and results, the EE-AF market will reach a critical share and a self-sustaining level of growth (**key result 3**), the fuelwood supply will switch from illegal harvesting to a sustainable level (**key result 2**) and a greater number of households will have access to EE-AF solutions (**outcome M6.0**). It is also expected that the roll-out of SFM and continuous EE-AF market development will be secured via an enabling regulatory framework (**key result 4**). The **assumption** for component 2 and its associated results is that the availability of cheap and mostly illegal fuelwood creates no incentives for EE-AF market development.

The underlying hypotheses for component 3 is that, as a consequence of these activities, livelihood opportunities will be diversified and local self-governance in forest management will be strengthened (**key result 5**), thereby leading to improvements in the management of forest areas (**outcome M9.0**). The **assumption** regarding component 3 and its associated results is that, without alternative livelihood options and increased local participation of forest management, pressure on forests, illegal use and unequal access will continue.

Impact level

All outcomes and key results are expected to contribute to the achievement of the fund-level **impact M4.0** (Reduced emissions from land use changes, reforestation and reduced deforestation, and through sustainable forest management and the conservation and enhancement of forest carbon stocks). In addition, they are intended to contribute to several Sustainable Development Goals (SDGs), especially SDG 13 (Take urgent action to combat climate change and its impacts), SDG 15 (Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss) and SDG 7 (Ensure access to affordable, reliable, sustainable and modern energy). Moreover, the project is expected to contribute to other SDGs, namely SDG 1 (End poverty), SDG 3 (Ensure healthy lives and promote well-being), SDG 4 (Ensure inclusive and equitable quality education), SDG 5 (Achieve gender equality and empower all women and girls), SDG 6 (Ensure availability and sustainable management of water and sanitation), SDG 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work), SDG 12 (Ensure sustainable consumption and production patterns) and SDG 16 (Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions).

Risks at impact level include that changes in government priorities may decrease the impact of the project results at impact level.

Cross-cutting issues

The evaluation also verified whether essential cross-cutting issues such as gender, the environment, conflict sensitivity and human rights were appropriately addressed during the design and implementation of the project. As gender equality and conflict sensitivity are particularly relevant for the project, the evaluation took gender

and conflict sensitivity issues into account. In addition, the evaluation assessed the degree to which environmental and social impacts were managed by developing and using the GCF-specific environmental and social safeguards (ESS) management system.

System boundary

All activities and sub-activities represent output-level results and, therefore, lie within the project's sphere of responsibility. The two fund-level outcomes and five key results are measured against indicators comprising mid-term and final targets. As a consequence, they are also located within the system boundary of ECO.Georgia. The fund-level impact M4.0 also has an indicator with target values that are geared towards the mid-term stage and the end of the project (seven years). Nevertheless, it includes the assumption that additional GHG emission reductions will occur during the 20-year project results lifetime. Consequently, M4.0 is located partially within and partially outside the project system boundary. SDGs at impact level lie outside the project's direct responsibility.

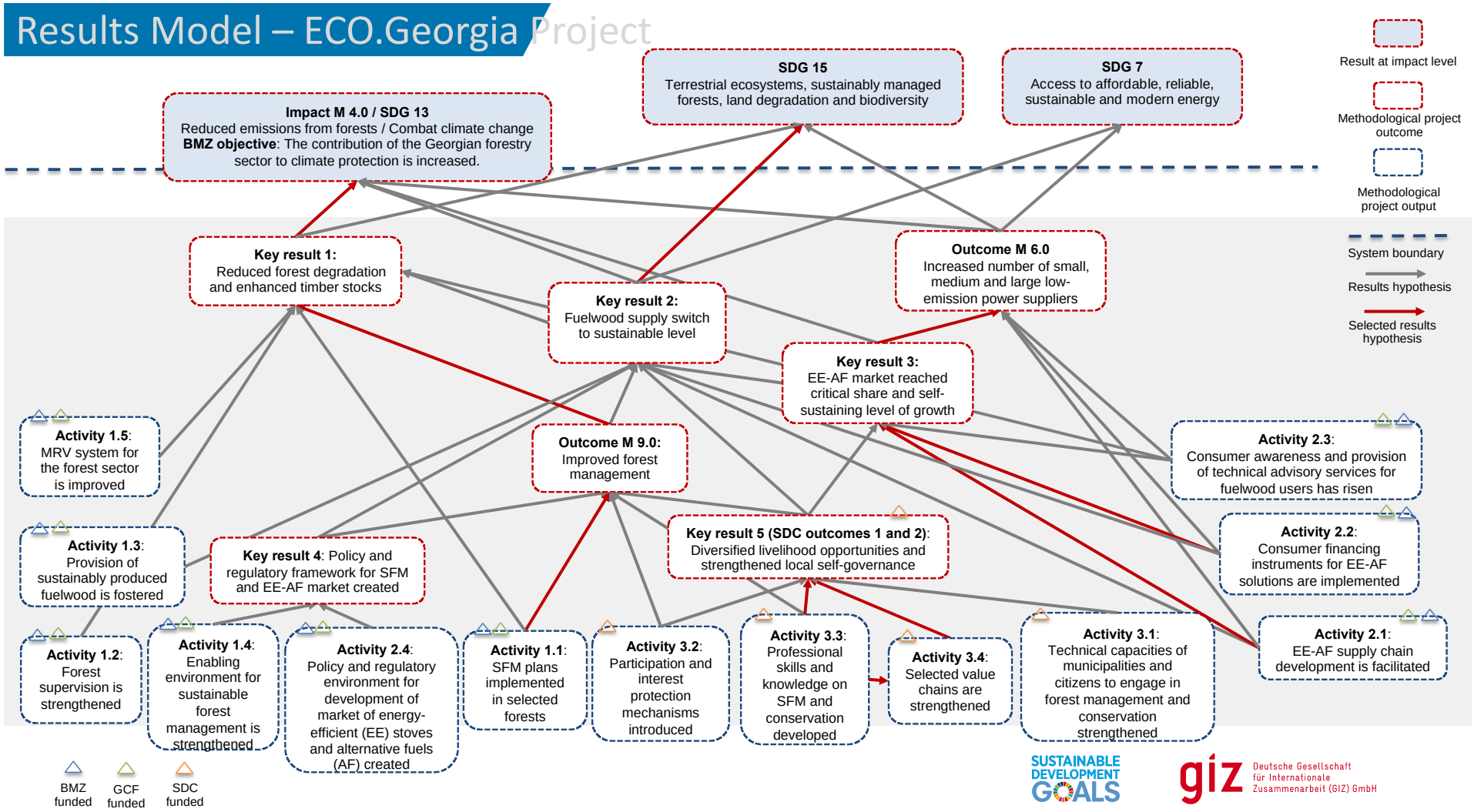


Figure 1: Current results model (November 2024), adapted during evaluation

3 Evaluability and evaluation process

This chapter aims to clarify the availability and quality of data and the process of the evaluation.

3.1 Evaluability: data availability and quality

This section covers the following aspects:

- availability of essential documents,
- monitoring and baseline data including partner data, and
- secondary data.

Availability of essential documents

All essential documents, in particular planning documents and progress reports, were made available to the evaluation team (see Annex).

Monitoring and baseline data including partner data

The ECO.Georgia project uses a web-based monitoring system (WebMo) to track the project's progress according to the results matrix and logical frameworks of all three donor organisations, including milestones, the project's GAP, the project's environmental, social, health and safety management system (ESHS MS), risks and strategic challenges. In addition, the results are monitored on the basis of annual progress reporting to GCF and BMZ and semi-annual progress reporting to SDC. The monitoring system is regularly updated by the project team. Partner organisations also use WebMo to monitor the progress of the project activities. Data quality is considered good, although there are limitations, as mid-term targets will not be measurable until June 2025. The project also uses partner system data and feeds this into WebMo, especially RDA's internal monitoring system for the voucher scheme and NFA's internal monitoring of forest measure implementation. The evaluation used data from the monitoring systems as far as possible. The project did not apply the KOMPASS tool.

The evaluation was based on the GCF logical framework and used GCF wording for the different result levels. The indicators of fund-level outcomes (objective) include clear baseline and target values. The project performance indicators (key result indicators, KRIs) also have clear baseline and target values and sources for verification. However, there are some overlaps at results level regarding the three project components. The progress of the components was therefore assessed by attributing, in discussion with the project team, selected KRIs to the three components.

Secondary data

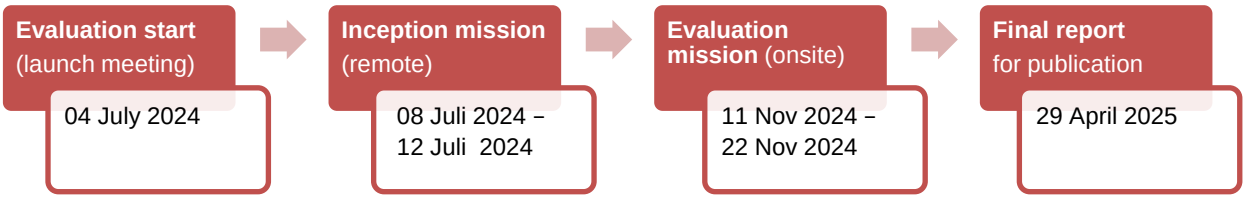
During the evaluation phase, secondary data was collected from sources such as donor websites and other information portals. Data from national or regional statistical offices was very limited. An MRV system for the forest sector is not yet available in Georgia and is therefore currently being developed by the project.

3.2 Evaluation process

This section covers the following aspects:

- milestones of the evaluation process,
- involvement of stakeholders,
- selection of interviewees,
- data analysis process,
- roles within the evaluation team,
- context and conflict sensitivity within the evaluation process, and
- security management in the evaluation process.

Figure 2: Milestones of the evaluation process



Involvement of stakeholders

Various stakeholders were involved during the inception phase mission to ensure a participatory approach, thereby enhancing the usefulness and application of the evaluation and its results. During the inception phase, a series of five half-day virtual workshops were conducted with the GIZ ECO.Georgia project team. Exploratory interviews were then conducted with representatives from BMZ and the key partner SDC to ensure that their knowledge and evaluation interests were taken into account and to ask them for further suggestions on key informants and data to be included in the evaluation. The project team reviewed and commented on the draft inception report to ensure a joint understanding of the evaluation.

Before the evaluation mission, there was a briefing with project staff. After the evaluation mission, debriefings included partner representatives, donor representatives and project staff to discuss the preliminary findings of the mission. In addition, the evaluation report and its results were to be discussed with the project staff, GIZ Evaluation Unit, GCF Oversight Unit and interested stakeholders.

Selection of interviewees

The selection of interviewees was based on a participatory approach that involved GIZ project staff in particular. The interviewees were selected based on several criteria:

- relevance for the project as an implementing partner (NDA, executing entity),
- involvement in project activities,
- diversity of stakeholder groups (public, private, civil society, donor community),
- knowledge of the sectoral and political context, and
- direct beneficiaries (direct target group) of project activities.

Thus, the evaluation team focused on involving a diverse sample of stakeholders during the evaluation mission. The stakeholders who participated in the evaluation as interviewees during the field mission are listed in Table 3. Quotes from interviewees were anonymised in accordance with data protection requirements, through the use of an interview coding list. GIZ will take care of organising knowledge transfer of the evaluation results to partners, other stakeholders and other GIZ units (e.g. the sectoral unit).

Table 3: List of evaluation stakeholders and selected participants

Organisation/company/ target group	Overall number of persons involved in the evaluation (including gender disaggregation)	No. of interview participants	No. of focus group participants	No. of workshop participants	No. of survey participants
Donors	2 (2f)	2 (2f)			
German Embassy, BMZ, SDC					
GIZ	12 (6f + 6m)	2 (1f + 1m)		10 (5f + 5m)	
GIZ GCF Oversight Unit, GIZ Regional Direction, GIZ project team					
Partner organisations (direct target group)	71 (24f + 47m)	71 (24f + 47m)			
MEPA, NFA, DES, EIEC, RDA, BDF, SDA, MESD, BSY. Municipal administrations of Akhmeta, Chokhatauri and Kvareli. Site visits to BSYs in Akhmeta and Ozurgeti and forest road construction site in Surebi. Aisi and Horizonti TVET colleges.					
Other stakeholders (e.g. public actors, other development projects)	1 (1m)	1 (1m)			
World Wide Fund for Nature (WWF) (project implementing organisation for KfW)					
Civil society and private sector actors	13 (5f + 8m)	13 (5f + 8m)			
Georgian Handicraft Association, Georgian Forest Product Association, environmental NGOs, Euroclubs Georgia, CENN and Energy Efficiency Centre, stove producers, AF producers and ecotourism entrepreneurs.					
Final beneficiaries / indirect target groups (total)	42 (19f + 23m)	5 (1f + 4m)	37 (18f + 19m)		
Stove cofinancing beneficiaries	5 (1f + 4m)	5 (1f + 4m)			
Forest-dependent population representatives in Akhmeta	5 (1f + 4m)		5 (1f + 4m)		
Public school in Atskuri	20 (14f + 6m)		20 (14f + 6m)		
Forest-dependent population representatives in Chokhatauri	12 (3f + 9m)		12 (3f + 9m)		
Note: f = female; m = male;					

Data analysis process

The evaluation analysed various project documents, country strategies and online sources. The documents were assessed against the evaluation questions. In addition, the views of project beneficiaries and data were collected from selected beneficiaries in the target groups at national level and in all three project regions in Georgia during the evaluation mission, by applying semi-structured interviews based on the evaluation questions and focus group discussions (FGDs) where possible. To achieve this, semi-structured interview guidelines, based on the questions listed in the evaluation matrix as a guide to collecting key information, were used to guide the interviews for each stakeholder group (see Annex 1). The quality of the data collection instruments was assured by applying the four-eyes principle. Qualitative content analysis was conducted based on written

notes taken during the interviews and FGDs. The information obtained was then assigned to the different evaluation criteria, dimensions and questions. Quantitative data stemming from project monitoring was analysed descriptively. Data obtained by document analysis was then triangulated with the opinions of the evaluation stakeholders. Finally, the evaluation experts conducted a thorough review of the results to assess their reliability and ensure quality.

Roles within the evaluation team

The evaluation team comprised an international evaluator, Mr. Josef Seitz (Global21 Consulting), and a local evaluator, Dr. Kakha Artsivadze. Mr. Seitz is an international expert in the field of environment, climate change, energy, waste management and sustainable economic development. He has more than 25 years of experience in designing, supporting, managing and evaluating international projects of varying size, scope and complexity. He is experienced in the design, management and implementation of evaluation projects of different types and on various topics, and is knowledgeable about the specific requirements of international donors and GIZ. As team leader, he was responsible for ensuring that the methodology, data and analysis were sound, and managing large parts of the reporting and quality assurance, and served as a contact person for the client. Dr. Artsivadze, meanwhile, is a specialist in the sustainable use of natural resources, biodiversity, forest management and climate change. He has a doctoral degree in biology and a master's degree in law, and specialises in EU nature management legislation and management of protected areas and ecological networks. As the local evaluator, he brought expertise in climate change, as well as local and regional experience in working with the national authorities in Georgia. He participated in the inception and evaluation mission, supported the data analysis process and made a significant contribution to the evaluation report, its annexes and corresponding revisions. Given their combined expertise in project management, evaluation and local governance, the two evaluators were well positioned to assess this project effectively.

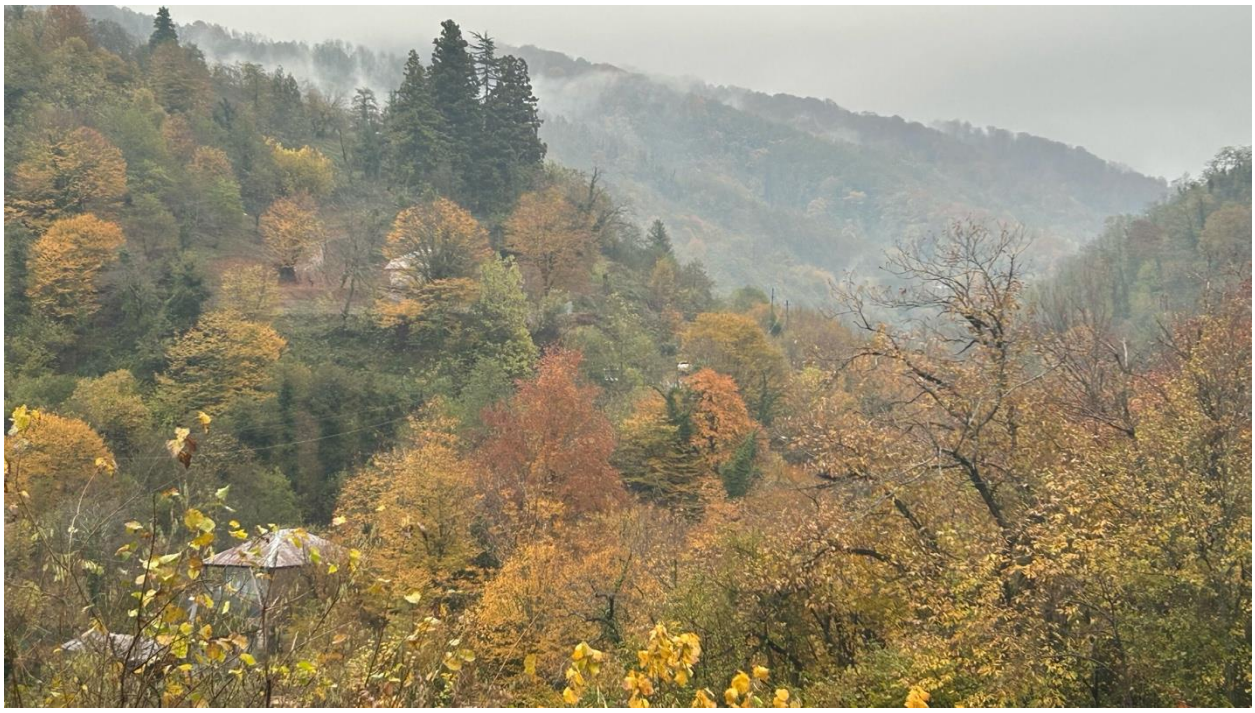
Context and conflict sensitivity within the evaluation process

Table 4: Context and conflict sensitivity within the evaluation process

Risk (or opportunity) of evaluation process	Mitigation measures	Measures if risk (opportunity) becomes reality
No risks were identified that the evaluation would send negative 'implicit ethical messages' or result in (negative) 'resource transfers' as defined by the 'do no harm' approach.	Not applicable	Not applicable
No risks were identified that the evaluation approach would not be accepted or would be met with resistance by interviewees and stakeholders.	Not applicable	Not applicable
No risks were identified in the collaboration with specific public institutions and state actors (e.g. exercise of influence, corruption) and with (violent) rebels or combatants.	Not applicable	Not applicable

Risk (or opportunity) of evaluation process	Mitigation measures	Measures if risk (opportunity) becomes reality
With respect to non-state actors such as NGOs, GoG adopted the Law on Transparency of Foreign Influence in the spring of 2024. This caused serious dissatisfaction and protest in society. According to this law, NGOs that have received funding from outside the country are required to register as a 'representative of a foreign country' by September 2024. Most NGOs operating in Georgia are not planning to comply with this law, which may lead to the suspension of their activities. Consequently, some NGOs involved in the evaluation process might have been unavailable for the evaluation.	Communicating the objectives and importance of the evaluation mission to NGOs in advance.	All meetings took place. To ensure the success of the evaluation mission, NGOs were provided with advance notice and were offered flexible scheduling options, including the use of personal contacts with NGO representatives to ensure convenient meeting times and efficient information gathering through interviews.

Photo 1: Forests in Surebi (Guria region) (Source/©: Josef Seitz, 2024)



4 Assessment according to OECD DAC criteria

4.1 Impact and sustainability of predecessor projects

No predecessor project was included in the evaluation, as no such project existed.

4.2 Relevance

This section analyses and assesses the relevance of the project. It is structured according to the assessment dimensions specified by the BMZ (see Annex).

Summarising assessment and rating of relevance

Table 5: Rating of OECD DAC criterion relevance

Criterion	Assessment dimension	Score and rating
Relevance	Alignment with policies and priorities	30 out of 30 points
	Alignment with the needs and capacities of the beneficiaries and stakeholders	27 out of 30 points
	Appropriateness of the design*	16 out of 20 points
	Adaptability – response to change	18 out of 20 points
Relevance total score and rating		Score: **91 out of 100 points** Rating: Level 1: highly successful

ECO. Georgia is consistently and comprehensively aligned with Georgia's policies and priorities in SFM, climate change, energy efficiency, sustainable development and gender. It also responds to the public need for a reliable firewood supply and modernised forest infrastructure. The project document and educational and training activities implemented at various levels of the education system, including TVET colleges and higher education institutions, are highly relevant, given that they address the critical need to develop skilled personnel essential for ensuring SFM in Georgia. The Covid-19 pandemic and the war in Ukraine have significantly affected the Georgian market, where they have led to rising prices for stove production materials and decreased revenues from timber sales. These challenges may undermine the relevance of the project's planned activities concerning the sales targets for EE stoves, thus making it necessary to make adjustments to the anticipated outputs. However, in light of the aforementioned obstacles, the Project Implementation Unit (PIU) has demonstrated adaptability.

In total, the relevance of the project is rated as highly successful (level 1), with 91 out of 100 points.

Analysis and assessment of relevance

Relevance – Dimension 1: Alignment with policies and priorities

The project concept was assessed for alignment with strategic reference frameworks, with a focus on its consistency with GoG's national strategies, particularly the national forest policy document, the new Forest Code,

climate change policies and other relevant strategic plans. The project supports the government's forest sector reform agenda by helping to establish a sustainable framework for forest management in the country. The project is fully aligned with Georgia's Forest Code, the National Forest Concept for Georgia, Georgia's NDC, Georgia's 2030 Climate Change Strategy and Action Plan (CSAP), the Climate Action Plan (CAP), the National Energy Policy (NEP) of Georgia, the National Integrated Energy and Climate Plan (NECP) of Georgia, the Agriculture and Rural Development Strategy of Georgia (2021–2027) and the National Biodiversity Strategy and Action Plan, as well as the Renewable Energy Law.

An extensive forest sector reform was launched in Georgia in 2013 and remains at the development stage, with strong support from international donors. The aims of the forest sector reform are: (a) to change current approaches to forest use and management; (b) to develop a unified legal system for forest management; and (c) to improve the institutional and technical capacities of forest management and supervision bodies.

The Georgian parliament's adoption of the National Forest Concept in December 2013 marked a significant step towards SFM. This concept aims to establish a system that prioritises the improvement of forest quality, protection of biodiversity and responsible economic use, while considering ecological values, public participation and equitable benefit distribution. The National Forest Concept serves as a foundation for the reform process, and specifically highlights the need to ensure that forests are adapted to climate change. It also acknowledges that forests play a crucial role in the global carbon cycle by absorbing carbon from the atmosphere and storing it in woody matter and forest soils. The launch of the National Forest Programme (NFP) process in September 2013 was an important step in engaging stakeholders in decision-making to support the forest sector reform.

The new Forest Code, approved in May 2020, is based on the SFM principles outlined in the National Forest Concept. It introduces key reforms, including the Forest Information and Monitoring System (FIMS) and the transformation of NFA into a multipurpose body that manages forest resources and reinvests revenue into forest restoration, fire prevention and infrastructure. The code also phases out long-term concessions and the social logging programme, with all commercial activities in state forests managed by forest bodies. This issue was among Georgia's most significant challenges, and required both a transformation of existing forest management structures, such as NFA, and the establishment of new entities, such as BSYs, across the country. Tackling this challenge required considerable financial and human resources, as well as specialised expertise that the country lacked, which was reflected in the transformational forest sector reform agenda. In addition, it was necessary to develop secondary forest legislation to regulate these issues. The project has supported the establishment and technical equipping of BSYs in target municipalities, thereby creating a precedent for the activities of this structure in Georgia. Consequently, the successful implementation of SFM required national-level support, which was also embodied in the ECO.Georgia project. This is facilitating a transition from the social wood programme to a new system of NFA-run BSYs for fuelwood supply, which is increasing transparency and traceability in the forestry sector and ensuring that harvesting levels are based on SFM (Int_2 with donor, Int_3 with donor, Int_2 with GIZ, Int_10 with partner, Int_13 with partner).

The new Forest Code defines SFM in the Georgian context and allows municipalities to request the transfer of 'forests of local importance' to municipal management by 2030. It also emphasises public participation in decision-making and forest management. The law addresses key topics, including the types of NTFPs eligible for commercial harvesting, methodologies for estimating quantities of each NTFP, and operational guidelines for ensuring monitoring compliance with the new Forest Code. Furthermore, the code mandates the involvement of qualified foresters and forest workers in forest management. Foresters must hold a relevant university degree (at least a bachelor's), while forest workers are required to have appropriate vocational education, which has created significant demand for qualified personnel. The goals and objectives outlined by the project are closely aligned with Georgia's national priorities, particularly those relating to strengthening municipal capaci-

ties for SFM. This alignment highlights the critical need to develop and implement training programmes to retrain forestry personnel and ensure that they are adequately prepared to meet the country's evolving forestry challenges and contribute effectively to its sustainability goals.

Several of Georgia's national strategies and action plans also underscore the importance of SFM and enhanced energy efficiency, both of which are crucial components of the country's commitments to climate change action, including mitigation and adaptation, namely:

- The updated NDC is a key document that lays out Georgia's approach to the achievement of the Paris Agreement goals. More specifically, Georgia's NDC document outlines the country's commitment to reducing GHG emissions unconditionally by 35% compared to 1990 levels. Additionally, the country aims to increase this target to 50-57% if international support is secured. According to the NDC, Georgia is seeking to increase its carbon capture capacity by 10% in the forest sector by 2030, compared to 2015 levels, through the restoration of degraded forest areas and the implementation of SFM practices.
- The National Energy Policy (NEP) and its integrated component, the National Integrated Energy and Climate Plan (NECP), prioritise decarbonisation by emphasising activities that enhance forest management. This focus on improved forest management is directly linked to the conservation of biodiversity, which highlights the interconnectedness of these environmental goals. Therefore, activities relevant to the dimension of 'decarbonisation' are connected to the improvement of forest management measures to increase net GHG reductions. Measures under NECP objective 1.3 include afforestation efforts and the introduction of better management in the forestry sector and improving efficiency of firewood consumption (activities from GHG-9 to GHG-16), as well as activities relevant to forest restoration. NECP also calls for the development of a certification system for energy service providers, energy auditors, energy managers and assemblers involved in installing energy appliances in the building sector.
- The Agriculture and Rural Development Strategy of Georgia 2021–2027 identifies the inefficient use of natural resources, including forests and energy, as a major challenge, and also prioritises SFM. The document emphasises that 'sustainable forest management must ensure the maintenance of forests' economic, social and environmental functions'. Additionally, the strategy highlights the importance of developing economic models that encourage the population to adopt economically viable approaches to forestry. Under Goal 2—'Sustainable Use of Natural Resources, Ecosystem Preservation, and Climate Change Adaptation'—the strategy outlines objectives such as the sustainable use of forest resources and sets a target of 1,500,000 hectares under SFM by 2027.
- The provisions of the adopted Renewable Energy Law related to the sustainable use of forest resources include energy efficiency activities. Specifically, for biomass stoves, the government is tasked with promoting conversion technologies that ensure at least 85% efficiency for residential and commercial applications and at least 70% for industrial applications. The law also requires the establishment of training and information programmes for the public on renewable energy, the creation of certification programmes for installers of small-scale biomass boilers and stoves, and the maintenance of lists of certified installers.

The project's goals and objectives are directly relevant to these national priorities, thereby supporting GoG in the establishment of the key foundations for SFM at national level. This includes the development of forest management plans and the advancement of the EE-AF sector. The project has fostered growth in this sector by driving the development of supply chains, raising consumer awareness, providing financial incentives and creating a supportive policy and regulatory framework. Interviewees from different stakeholder groups pointed to the project's close alignment with Georgian policies (Int_1, 2, 4 with donor; Int_4 with GIZ; Int_1 with partner, Int_3 with partner, Int_6 with partner, Int_7 with partner, Int_13 with partner, Int_15 with partner).

Although the project's primary objective does not explicitly focus on gender equality, the ECO.Georgia project incorporates a comprehensive GAP aimed at reducing gender inequality, addressing the specific needs and

challenges faced by women, girls, men and boys, and mitigating the potential adverse gender impacts. It promotes women's active participation, fosters their leadership potential, and includes them as planners, co-implementers and agents of change, among other essential roles. The plan has been designed to ensure that gender issues are effectively integrated into all planned actions across all three strategic directions (Int_3 with GIZ).

Relevance dimension 1 – Alignment with policies and priorities – scores **30 out of 30 points.**

Relevance – Dimension 2: Alignment with the needs and capacities of the beneficiaries and stakeholders

This dimension assesses the extent to which the project objectives address the needs and capacities of the target groups and whether they are aligned with SFM.

The project beneficiaries and stakeholders are divided into direct target and indirect groups. The direct target groups are officers and experts at technical and managerial level from the different stakeholders at regional level (in Guria, Kakheti and Mtskheta-Mtianeti) and at national level within MEPA and its downstream authorities, especially NFA, EIEC, DES, RDA and BDF (GIZ, 2019). In addition, the direct beneficiaries are the staff of the municipal administrations and/or local governments in the project's three target regions (GIZ, 2019). The project directly addresses the interests and needs of this group of institutions, especially to increase their capacity for SFM, as outlined in national policies and strategies, including the new Forest Code. This is aligned with the project's goals and objectives, particularly in terms of supporting the capacity building of national forest management entities responsible for forest management and the training personnel involved in this field, a key national priority. The interests and needs of this group of institutions, as outlined in national policies and strategies, are being fully addressed by and are aligned with the project's goals and objectives (Int_2, 3, 4 with donor; Int_2, 3, 4 with GIZ; Int_1, 3, 5, 6, 7, 10, 11, 13 with partner).

Key direct beneficiary groups include national and local authorities, representatives from higher education institutions and TVET colleges, their students and beneficiaries, citizens involved in SFM and community members in target regions. These beneficiaries stand to gain from the diversified income opportunities through improved forest-related value chains, as well as enhanced access to forest-related knowledge and skills. The project addresses their needs to a significant degree, as it strives to create new programmes and improve existing programmes at national level and facilitate the development of vocational training programmes in Georgia. GoG and NFA benefit from improved access to high-quality TVET programmes through the recruitment of professionally trained forest workers (Int_2, 3 with GIZ; Int_3, 4, 6, 8, 9, 10 with partner; Int_10 with stakeholder).

The legal entity of public law, the National Centre for Educational Quality Enhancement, which is part of Georgia's Ministry of Education and Science, certifies and accredits TVET and university programmes to ensure that project-funded curricula and modules developed under the ECO.Georgia project comply with standards and regulations, while directly conducting relevant training (Int_4, 8, 9 with partner).

The third tier of the project's direct beneficiaries are the recipients of the project-funded financial incentive for EE stoves, which is targeting 30% of the fuelwood-consuming households in the target regions, approximately 98,337 people (GIZ, 2019). It should be noted that the incentive programme is available to residents throughout Georgia, excluding self-governing cities. The project addresses their needs by promoting the use of EE stoves, thus ensuring the sustainable use of forest resources. ECO.Georgia recognises their needs by offering grant-based funding lines to subsidise the cost of EE stoves (Int_1 with beneficiaries; Int_2, 3 with GIZ; Int_2, 10 ,12, 13 with partner).

Direct stakeholders include staff at technical and managerial levels within MESD, as well as NGOs, private companies and financial institutions. The project activities are aligned with the strategic direction of MESD, thus ensuring coherence with both international and national efforts to establish energy efficiency and certification standards in Georgia (Int_3 with GIZ; Int_11, 13 with partners). This tier of stakeholders also includes small-scale private companies and NGOs that are involved in the metal processing industry and promote EE products. The relevance of their activities lies in driving business growth through the expansion of EE products, which not only strengthens the market but is also aligned with the goals of local NGOs committed to reducing natural resource consumption. ECO.Georgia supports the needs of this sector by providing grant-based funding to subsidise the cost of machinery and materials, thereby encouraging private investment in the production of EE stoves (Int_2 with beneficiaries; Int_2, 3 with GIZ; Int_10, 11, 13 with partner; Int_1, 6 with stakeholder).

The indirect target group of ECO.Georgia consists of rural communities in the designated regions who benefit from SFM. This approach ensures the provision of vital forest ecosystem services, such as a clean water supply, disaster risk reduction and other essential environmental benefits. Indirect beneficiaries are considered to be the individuals who receive information and advisory support through the project. The interviews highlighted the relevance of the project's planned activities to the interests of forest resource users, as well as other key stakeholders. These activities focus on enhancing the capabilities of the target groups, thereby enabling them to use forest resources more effectively and efficiently (FGD_3 with beneficiaries; Int_3 with partner, Int_2, 5, 8, 9 with stakeholder). Several stakeholders observed that the ECO.Georgia project addresses issues highly pertinent to the needs of groups interested in alternative uses for forest resources. Furthermore, the project is playing a significant role in shaping national regulations concerning the use of NTFPs. These regulations are crucial for NTFP-related businesses, target groups and government bodies focused on developing policies for the commercial use of NTFPs under the new Forest Code (Int_5 with stakeholder, Int_8 with stakeholder, FGD_3 with beneficiaries).

Capacity development, a cross-cutting issue, is integrated into all components and tailored to the specific needs and capacities of all beneficiary groups and stakeholders, including households, farmers and hoteliers. ECO.Georgia focuses on raising awareness and fostering attitude changes among final beneficiaries to promote a more sustainable use of forest resources. The project demonstrates strong alignment with the needs and capacities of this group of institutions, as articulated in national policies and strategies, thereby ensuring that interventions are both relevant and feasible. At the level of final beneficiaries (households, farmers and hoteliers), ECO.Georgia strives to increase awareness and change attitudes with a view to reducing the use of forest resources (GIZ, 2017, 2019; Int_2 with donor, int_4 with donor; Int_2 with GIZ Int_3 with GIZ; Int_6 with partner, Int_1 with partner, Int_2, 3, 4, 5, 8, 9 with stakeholders).

The project has built on substantial efforts previously undertaken by GIZ and other donors in the forest sector, thus aligning closely with GoG's forest reform plans and addressing the additional pressures arising from the requirements of the new Forest Code. Its initial design was informed by a consultative process with stakeholders during the promotion of forest reform in Georgia. This process was relevant not only for strengthening SFM capabilities, but also for advancing climate change mitigation and adaptation efforts and reducing GHG emissions. The development of the funding lines component was directly informed by consultations with GoG, including Ministry of Finance, NFA, DES, EIEC and RDA, as well as agencies, experts from the forest, agricultural and financial sectors, public institutions, the private sector, local communities in target districts, civil society organisations (CSOs), academia and international organisations (Int_2, 3, 4 with donor; Int_3, 4 with GIZ; Int_5, 6, 10 with partner).

Intensive stakeholder engagement has been an important focus throughout the implementation process and is conducted primarily through a Project Steering Committee (PSC) and monthly PIU meetings to ensure ongoing relevance and alignment with project goals. Additionally, regular stakeholder engagement activities are conducted across various initiatives, in accordance with the GCF stakeholder engagement plan. The project is

playing an important role in supporting national efforts to raise awareness of forest sector reform and ensuring that stakeholders at all levels are kept informed about regulatory changes and the crucial role of forests in combating climate change and fostering sustainable development in Georgia. In this context, stakeholder engagement is an ongoing process, which ensures that it remains relevant and in tune with the changing needs of stakeholders as the project moves forward (Int_2, 3, 4 with donor; Int_3 with GIZ; Int_6, 10, 13 with partner). Some stakeholders reported that the steering committee format, while effective for informing key stakeholders, has sometimes led to information overload and redundancy. This suggests a potential need for more targeted communication strategies to ensure that stakeholders receive timely and relevant information. However, representatives of the project partner organisations stressed the need for PIU to enhance its communication with the government to expedite the adoption of solutions related to government regulations (Int_6 with partner).

It is also important to note that, according to representatives of NGOs, the level of NGO involvement at municipal level is not consistent with actual needs. This is due primarily to ongoing political processes in Georgia, particularly the adoption of the Law on Transparency of Foreign Influence, which has significantly undermined public participation in these processes (Int_3 with GIZ; Int_15 with partner; Int_3, 4, 5, 8, 9 with stakeholder).

The project has implemented comprehensive gender mainstreaming with a strong focus on capacity building through gender-sensitive training programmes and technical education. Key activities include promoting women's participation in energy efficiency and AF supply chains via specialised training modules, integrating gender perspectives into TVET and developing targeted training materials. The project also encompasses staff training, voucher programme assessment and the promotion of women's involvement in forestry decision-making processes (GIZ, 2024e; Int_3, 4 with partner).

Overall, ECO.Georgia is effectively addressing the needs of the target groups and is meeting the capacity needs of local partners and beneficiaries to a great extent.

Relevance dimension 2 – Alignment with the needs and capacities of the beneficiaries and stakeholders – scores **27 out of 30 points.**

Target group analysis

The project's direct target group of the project are:

- officers and experts at technical and managerial level from the different stakeholders at regional level (in the project's three target regions, namely Guria, Kakheti and Mtskheta-Mtianeti) and at national level, e.g. MEPA and its downstream authorities, especially NFA, DES, EIEC, RDA and BDF,
- staff of the municipal administrations and/or local governments in the project's three target regions,
- staff of TVET colleges and TVET teachers,
- staff at technical and managerial levels within other stakeholders such as MESD, NGOs, private companies and finance institutions, and
- population groups and entrepreneurs at community level benefiting directly from model projects and measures in the project districts situated in the three Georgian regions of Guria, Kakheti and Mtskheta-Mtianeti.

Relevance – Dimension 3: Appropriateness of the design

The project design effectively addresses the core objective of transforming the forest sector and supporting a reform programme to bring all national forests under SFM. ECO.Georgia takes a holistic approach by reducing the demand for forest resources, optimising supply and strengthening the legal and regulatory framework, all within the context of reducing GHG emissions and achieving the NDC.

Partnering with GCF, BMZ and SDC has enabled ECO.Georgia to integrate energy efficiency into the forest sector and promote the sustainable use of resources and low-emissions development. This has also laid the foundations for replication in non-target municipalities across Georgia (Int_4 with donor; Int_2, 3, 5 with GIZ; Int_2, 6, 10, 12, 13, 14 with partner).

The project's three components are relevant, complementary and well-integrated, given that they cater to diverse target groups. Together, they form a holistic ToC with plausible and comprehensive results hypotheses, highly valued by stakeholders at both political and technical level. Potential risks and trade-offs in economic, ecological and social sustainability were addressed in the funding proposal (Int_2, 4 with donor; Int_2, 3 with GIZ; Int_6, 10, 13 with partner). However, a major weakness emerged during project implementation: component 2 (Market development for energy efficiency and alternative fuels) was based on flawed assumptions and is now significantly behind schedule. A lack of accurate data led to planning based on ‘guesstimates’ from 2018, which turned out to be inaccurate (Int_3 with GIZ; Int_10, 11 with partner).

The impact of gas infrastructure on firewood consumption was not fully analysed. Connecting villages to the gas supply has significantly reduced firewood consumption (Int_1, 2 with beneficiaries; FGD_3 with beneficiaries; Int_1, 7, 10, 11, 15 with partner; Int_7 with stakeholder). While this reduces the use of forest resources and the demand for EE stoves, it may also significantly impact the GHG emissions balance of target municipalities. Therefore, conducting a relevant study would be beneficial to comprehensively assess this impact. Furthermore, increased out-migration from villages within the target municipalities has led to a decline in firewood demand, consequently reducing the need for EE stoves and affecting the project's defined indicators (Int_1, 6, 7, 10, 11, 13 with partner).

Furthermore, some aspects were not entirely anticipated at the planning stage. Several interviewees pointed out that the project's subsidy scheme (component 2, sub-activity 2.2.1: Design, implementation and marketing of the voucher programme for EE stoves for households) was not optimally designed. They noted that the voucher programme covers only a small portion of the costs for most EE stove models and the process to obtain it is lengthy and often requires a bank loan (Int_1 with beneficiaries; Int_1, 7, 11, 12 with partner; Int_7 with stakeholder). Additionally, the project's partner organisation, Crystal, which is responsible for providing local residents with loans for EE stoves, does not have offices in many towns in the target municipality, which makes it difficult for residents to obtain these loans (Int_1 with partner).

From a methodological perspective, certain challenges hindered a realistic assessment of the project indicators. Notably, the certification process for EE stoves outlined in the project format (component 2, activity 2.1: EE-AF supply chain development) excludes some stoves available on the Georgian market, even though some of these stoves could be considered more or less energy efficient (so-called ‘Svan’ stoves). A significant number of interviewees reported that selling EE-verified stoves was challenging due to the availability of alternative, much cheaper products on the market (FGD_2, 3 with beneficiaries; Int_1, 7, 11, 12 with partner; Int_7, 8, 9 with stakeholder). The low prices were attributed to the use of lower-quality materials, homemade production methods, lower efficiency compared to verified stoves, and less appealing designs. However, the similarly constructed 'Svan’ stoves, produced by the project partner, were certified and recognised as highly efficient (at least 85%) (Int_6 with stakeholder). Additionally, EE stoves imported from other countries are available on the Georgian market and can be sold in both target regions and other municipalities. However, this aspect was not reflected in the project’s format. This suggests that, due to the project activities, particularly the educational campaign, the population is now aware of the benefits of EE stoves. As a result, some target groups have shown a preference for purchasing EE stoves, including non-certified models, which are more affordable than verified models (Int_1 with partner, Int_12 with partner, Int_6 with stakeholder, Int_1 with beneficiaries, FGD_3 with beneficiaries). Therefore, while the project objectives were partially achieved, the target of selling 10,200 EE stoves by June 2025 has not yet been met. This shortfall can be partly attributed to the exclusion of non-tested stoves from the count, as outlined by the project's methodological limitations.

Relevance dimension 3 – Appropriateness of the design – scores **16 out of 20 points.**

Relevance – Dimension 4: Adaptability – response to change

This dimension assesses the extent to which the project adapted to the challenges brought about by changes in the framework conditions, including the Covid-19 pandemic and other global issues such as supply chain disruptions, world market price increases and the war in Ukraine.

ECO.Georgia, like many projects, encountered significant challenges due to the Covid-19 pandemic. Meetings, stakeholder consultations and advisory activities were successfully shifted from in-person to virtual formats where feasible. Even after the movement restrictions were lifted, many meetings continued in virtual format due to the time-saving benefits. The project proactively acknowledged the unavoidable delays, thus reinforcing its reputation for transparency among Project Steering Committee members and PIU (Int_1, 4 with donor; Int_2, 3 with GIZ; Int_5, 6 with partner).

It was too early to determine how the project will adjust to global market price increases caused by supply chain disruptions and the ongoing crisis resulting from the war in Ukraine. However, it is evident that the war-induced price fluctuations will affect the project's planned activities. Many respondents highlighted the significant rise in metal prices, which has made the production of EE stoves in Georgia more expensive (FGD_2 with beneficiaries; Int_1, 2 with beneficiaries; Int_3 with GIZ; Int_7, 8, 11, 12, 13 with partner; Int_1, 6, 7 with stakeholder). At the same time, sanctions on Russia have limited Russian wood exports, but GoG's decision to abstain from participating in EU-imposed and other international sanctions have allowed Russia to continue exporting wood materials to Georgia, thereby leading to a surplus in the country. Due to limited access to Western markets, Russian timber prices have fallen, which has resulted in increased exports to Georgia at lower prices than those anticipated in 2019. As a result, timber prices in Georgia have decreased, which has impacted local market dynamics. This situation has diminished NFA's potential profit from sales of its own timber to fund its operations after the project ends. Furthermore, national inventory data has revealed a high forest degradation rate in Georgia. This is particularly evident for commercially valuable industrial timber, whose stocks have been severely depleted. At the same time, the anticipated sales revenue from industrial timber was intended to provide NFA with long-term financial sustainability after the project ends (FGD_3 with beneficiaries; Int_2, 3, 6 with GIZ; Int_6, 10, 12, 14 with partner, Int_9, 10 with stakeholder). These challenges have underscored the need for policy adjustments, thus leading GoG to temporarily suspend NFA's financial independence and allocate state budget funds for essential activities moving forward (Int_3, 6 with GIZ; Int_6, 10, 13, 14 with partner). This situation presents a challenge, as project efforts focus primarily on strengthening the financial and commercial capabilities of forest management authorities, primarily NFA, to ensure long-term sustainability. However, at this stage, achieving this goal appears to be unattainable due to objective constraints. As a result, GoG has decided to increase funding for state forestry management bodies through the state budget, which represents a certain paradigm shift (Int_6 with partner, Int_10 with partner). Previously, the entire emphasis had been on achieving commercial independence for these bodies. As reflected in GoG's plans, this shift is emerging primarily in the recently developed forest sector reform roadmap, which outlines new priorities for Georgia's forestry sector (Int_6 with partner). While the project has taken these objectives into account to some extent, no adaptive measures have been formally established. Therefore, it is necessary to implement appropriate changes. To ensure effective adjustments, it would be beneficial to plan these modifications with the participation of all relevant stakeholders.

Ongoing legislative changes in Georgia have had a significant impact on the project's progress. Numerous amendments to the Forest Code, particularly the postponement of the social logging ban until 2026, have affected project implementation (Int_2, 3, 6 with GIZ; Int_1, 5, 6, 7, 10, 13 with partner; Int_9, 10 with stake-

holder). This has had a particular impact on components 1 and 3, especially regarding the full operationalisation of BSYs and the transfer of forest management responsibilities to municipalities (Int_3, 6 with GIZ; Int_6, 10, 13, 14 with partner).

Project activities related to public engagement and the educational component face considerable risks due to the adoption of the Law on Transparency of Foreign Influence in Georgia, which affects NGO operations. Many representatives of interviewed organisations said that they view this law as a potential obstacle and have not ruled out the possibility of suspending their activities (Int_2, 3, 4 with donor; Int_3 with GIZ; Int_3, 4, 5, 8, 9, 10 with stakeholder). This presents challenges in collaborations with state institutions, particularly at municipal level. The process is still at the development stage, and PIU has not yet had an opportunity to influence it. However, if the situation does not improve, certain risks will persist, which will make it necessary to take substantial measures to adjust the project accordingly.

Overall, despite a series of worsening framework conditions that have affected project implementation, ECO.Georgia has demonstrated a high level of adaptability and is expected to continue doing so in the future. However, it is already obvious that some indicators will not be achieved as a result of this development, and there is a need to adapt the project design to this reality.

Relevance dimension 4 – Adaptability – response to change – scores **18 out of 20 points.**

Methodology for assessing relevance

Table 6: Evaluation matrix for OECD DAC criterion relevance

Relevance assessment dimensions	Basis for assessment	Evaluation design, empirical methods and data sources	Data quality and limitations
Alignment with policies and priorities	Extent to which the project objectives and design are consistent with the United Nations 2030 Agenda, the GCF strategic plan, BMZ country strategy, and Georgia's development and sector strategies:	**Evaluation design:** The analysis followed the analytical questions in the evaluation matrix, including specific GCF evaluation questions (see Annex). **Empirical methods and data sources:** • analysis of project documents: GCF funding proposal (2021), GCF feasibility study (2020), BMZ project proposal (2019) and modification proposals (2021), SDC project documentation (2021), result matrices and logframes, progress reports (GCF, BMZ, SDC), • semi-structured interviews with key stakeholders, in particular target groups (to be conducted on a face-to-face basis, as well as online through Zoom/Teams), • where possible, FGDs with relevant stakeholders, and • triangulation with opinions of key stakeholders.	• Relevant data was available and of good quality. • Additional information was successfully gathered from partners and stakeholders. The quality of data obtained through interviews and FGDs was high, thus reflecting strong stakeholder and partner engagement in project implementation. • A general lack of response from government officials and organisations was not observed, nor were there any instances where access to information was denied. • Triangulation of data was possible but limited in this mid-term evaluation. • No major limitations were observed. **Overall data quality for this assessment dimension:** strong

Relevance assessment dimensions	Basis for assessment	Evaluation design, empirical methods and data sources	Data quality and limitations
	• project proposals and progress reports, • Paris Agreement 2015, • 2030 Agenda (SDGs), • GCF Strategic Plan 2024-2027, • BMZ's Programme of Action on Climate Change and Development, • BMZ's Climate Policy in the context of the 2030 Agenda, • Georgia's Fourth National Communication of the United Nations Framework Convention on Climate Change (UNFCCC) and Georgia's Second Biennial Update Report to the United Nations Framework Convention on Climate Change (UNFCCC) 2019, • Georgia's Forest Code, • National Forest Concept for Georgia, • Georgia's NDC, • Georgia's 2030 Climate Change Strategy and Action Plan (CSAP), • Climate Action Plan (CAP), • National Energy Policy (NEP) of Georgia, • National Integrated Energy and Climate Plan (NECP) of Georgia, and • Agriculture and Rural Development Strategy of Georgia 2021–2027.		
Alignment with the needs and capacities of the beneficiaries and stakeholders	The beneficiaries and stakeholders of the project are divided into two categories: • direct target groups and • indirect target groups.	**Evaluation design:** The analysis followed the analytical questions in the evaluation matrix, including specific GCF evaluation questions (see Annex). No specific evaluation design was applied. **Empirical methods and data sources:** Same as above.	• Quality and reliability of project documents was considered sufficient. • Data quality was robust, as both the project proposal and the context analyses offered a comprehensive and detailed description of the needs of the target groups. • Collection of additional information from partners and stakeholders was possible. • Data quality from interviews and FGDs was high, as was the involvement of stakeholders and partners in project implementation. • No major limitations or security risks were observed. • By using FGDs, missing data regarding particularly disadvantaged groups was collected. **Overall data quality for this assessment dimension:** good

Relevance assessment dimensions	Basis for assessment	Evaluation design, empirical methods and data sources	Data quality and limitations
Appropriateness of the design*	Extent to which the ToC offers a realistic and plausible pathway towards reaching the intended objective and impact, given the available resources and consideration of external influences and risks. • current results model (September 2024), adapted during evaluation, • project proposal and progress reports, and • GCF logframe.	**Evaluation design:** The analysis followed the analytical questions in the evaluation matrix, including specific GCF evaluation questions (see Annex). No specific evaluation design was applied. **Empirical methods and data sources:** Same as above.	• Quality and reliability of project documents was considered sufficient. • Triangulation of data was possible. • No major limitations were observed. **Overall data quality for this assessment dimension:** strong
Adaptability – response to change	Extent to which the project responded to changes in the environment over time (risks and potentials): • GCF project proposal and progress reports, and • BMZ modified proposals. Potential changes include: • Covid pandemic, • war in Ukraine, • shifts in political priorities, • supply chain issues and • world market price increases.	**Evaluation design:** The analysis followed the analytical questions in the evaluation matrix, including specific GCF evaluation questions (see Annex). **Empirical methods and data sources:** Same as above.	• Quality and reliability of project documents was considered sufficient. Relevant data was available and was of good quality. • Triangulation of data was possible. • No major limitations were observed. **Overall data quality for this assessment dimension:** strong

Conflict sensitivity in the project design

Table 7: Dividers/escalating factors in the project context

Which dividers/escalating factors were identified in the project context?	Addressed by the project? (yes/no)	If addressed, how is it considered by the project design?
The implementation of the forest sector reform may cause social risks related to stopping so-called social logging.	Yes	The project has been tasked with establishing a grievance mechanism. It also mediates between the local population and the government with the goal of better informing the population and resolving conflicts. Moreover, the project's educational campaign is helping to raise awareness about the benefits of BSYs, thereby reducing potential conflicts between forest management units and local populations. By developing and presenting municipal-level tools for SFM, the project is enhancing the capacities of local authorities to provide the population with accurate information. Additionally, it is improving communication between central and local authorities, thus helping to relay information about local issues relating to the use of forest resources to decision-makers.

Table 8: Connectors/deescalating factors in the project context

Which deescalating factors/connectors were identified in the project context?	Addressed by the project? (yes/no)	If addressed, how is it considered by the project design?
No deescalating factors / connectors in the project context were identified during the mission.		

4.3 Coherence

This section analyses and assesses the coherence of the project. It is structured according to the assessment dimensions specified by the BMZ (see Annex).

Summarising assessment and rating of coherence

Table 9. Rating of OECD DAC criterion coherence

Criterion	Assessment dimension	Score and rating
Coherence	Internal coherence	-
	External coherence	90 out of 100 points
Overall score and rating		Score: **90 out of 100 points** Rating: **Level 2: successful**

ECO.Georgia is Georgia's largest project dedicated to advancing forest sector reform and promoting the sustainable use of natural resources, with the key objective of reducing GHG emissions. The substantial financial contributions from GoG, GCF, BMZ and SDC demonstrate a strong sense of ownership from both the state and international donors. MEPA, as the National Designated Authority for Georgia, ensures that ECO.Georgia is aligned with the country's national goals and acts as the primary liaison between GoG and the project. ECO.Georgia actively collaborates with a broad range of partners and stakeholders to enhance the intervention's complementarity and ensure harmonisation with other efforts. Such coordination ensures that all activities

are well-integrated, thus leveraging the strengths of each partner and ensuring alignment with the initiatives of other donors and international organisations, and maximising the overall impact.

All representatives of the partner organisations interviewed emphasised that ECO.Georgia has complemented their efforts while effectively leveraging their strengths and resources. Coordination with other government entities is considered excellent; however, there is still room for improvement in collaboration with municipalities. Additionally, there is significant potential at municipal level to strengthen the involvement of CSOs and local communities in the SFM process. The evaluation revealed that the project is actively collaborating with ongoing initiatives and organisations involved in SFM in Georgia, with no duplication of efforts observed.

In total, the coherence of the project is rated as successful (level 2), with 90 out of 100 points.

Analysis and assessment of coherence

Coherence – Dimension 1: Internal coherence

This entire dimension is irrelevant to a GCF mid-term review. It was therefore agreed that the evaluation would focus exclusively on external coherence, which is also closely aligned with the evaluation interests of GCF as the main funding entity.

Coherence – Dimension 2: External coherence

The external coherence of ECO.Georgia was evaluated based on the degree to which the project complements the efforts of its local partners, thereby adhering to the principle of subsidiarity, and the degree to which it coordinates with other development actors in the forest sector to avoid overlapping activities. Various branches of GoG are united in their consensus and awareness that the forest sector and SFM are a national priority. Given the scale and significance of ECO.Georgia, the commitment to the project across all levels of government is robust. This was confirmed by GoG representatives and through numerous interviews with high-level officials and technical staff from MEPA, DES, MESD, NFA and other agencies (Int_1, 3, 4, 5, 6, 7, 10, 11, 13 with partner). During the interviews, it was repeatedly noted that the state is gradually increasing its budget to finance the forestry sector, including in areas critical to the project's progress (Int_6, 10, 11, 13 with partner). Representatives of the state agency mentioned that an agreement had been reached at government level to significantly increase foresters' salaries from 2025, which should help reduce the outflow of qualified personnel from the system (Int_6 with partner). Thus, there is optimism that this government will remain dedicated and will find ways to ensure successful project implementation.

GIZ provides technical support and capacity development to enhance capabilities within MEPA, NFA, DES, EIEC and target municipalities. This support encompasses a wide range of topics, including financial management, monitoring, reporting, GCF requirements, procurement processes, technical designs, legal aspects and communication.

Having MEPA, MESD, NFA, DES, RDA, EIEC and the Ministry of Finance, as well as municipality representatives, on the Project Steering Committee underscores the principle of subsidiarity. Furthermore, as direct beneficiaries, GoG and NFA consistently ensure the procurement of state-owned equipment, inventory and infrastructure development such as forest roads within the project framework (component 1). During interviews, representatives of relevant services highlighted that state support in this direction is expected to increase and extend beyond the project's scope (Int_6, 10, 11, 13, 14 with partner). This arrangement will ensure that the project is delivered through existing structures, thereby enabling the optimal use of existing expertise and resources in Georgia. All interviewees affiliated with these organisations stated that the tasks related to ECO.Georgia are aligned with their institutions' goals and responsibilities and are therefore coherent with their own efforts (FGD_1, 2 with beneficiaries; Int_2 with beneficiaries; Int_1, 2 with donor; Int_1, 3, 4, 5, 6, 7, 8, 9,

10, 11, 13, 15 with partner; Int_2, 4, 5, 9, 10 with stakeholder). Their representatives assessed cooperation and coherence with all other government entities and subsidiary bodies as adequate.

Additionally, interviewees noted that, despite stakeholder consultations during the development of tools for municipalities, ECO.Georgia had not yet been able to ensure the full participation of civil society and the public in the SFM process at municipal level (FGD_2, 3 with beneficiaries; Int_1, 7, 15 with partner; Int_3, 9 with stakeholder). This situation can be partly explained by the adoption of the Law on Transparency of Foreign Influence in Georgia, which has significantly reduced the scope for cooperation between NGOs and local authorities. Furthermore, municipalities currently lack forest management responsibilities, and the transfer of these duties is viewed as a long-term (i.e. 5-8 years) possibility. Despite this, the use of the tools developed and the involvement of CSOs in the process would significantly improve SFM issues.

There is strong synergy with the ongoing project titled Biodiversity and Sustainable Local Development in Georgia, which is supported by BMZ, KfW and the World Wide Fund for Nature (WWF) (Int_2 with GIZ; Int_10 with stakeholder). Both projects address SFM issues; however, the ECO.Georgia project does not cover the autonomous region Adjara, and no overlaps were observed. Interviews indicated that joint actions addressing SFM issues were carried out during project implementation. These efforts included joint training for forestry personnel in the Guria region and application of the curriculum developed within the ECO.Georgia framework in Kobuleti, located in the Adjara region.

Overall, ECO.Georgia has strongly supported the efforts of its partners and is grounded in their systems, although there is still room for improvement.

Coherence dimension 2 – External coherence – scores **90 out of 100 points.**

Methodology for assessing coherence

Table 10: Evaluation matrix for OECD DAC criterion coherence

Coherence assessment dimensions	Basis for assessment	Evaluation design, empirical methods and data sources	Data quality and limitations
Internal coherence	The entire dimension is irrelevant to a GCF mid-term review.	Not applicable	Not applicable
External coherence	Extent to which the project complements and supports the partners' own efforts (principle of subsidiarity) and uses their systems. Extent to which the intervention's design and implementation has been coordinated with other donors' activities.	**Evaluation design:** The analysis followed the analytical questions in the evaluation matrix, including specific GCF evaluation questions (see Annex). **Empirical methods and data sources:** • document analysis and secondary data analysis: GCF funding proposal (2021), GCF feasibility study (2020), BMZ project proposal (2019) and modification proposals (2021), SDC project documentation (2021), result matrices and logframes, progress reports (GCF, BMZ, SDC), web-based monitoring system (WebMo), • semi-structured interviews with key stakeholders, in particular donor organisations and implementing agencies (e.g. KfW) and public institutions (MEPA, NFA, DES, RDA, EIEC, NGOs, etc.), and • triangulation with opinions of key stakeholders.	• Quality and reliability of project documents was considered sufficient. • Collection of additional information from partners and stakeholders was possible. **Overall data quality for this assessment dimension:** strong

4.4 Effectiveness

This section analyses and assesses the effectiveness of the project. It is structured according to the assessment dimensions specified by the BMZ (see Annex).

Summarising assessment and rating of effectiveness

Table 11. Rating of OECD DAC criterion effectiveness

Criterion	Assessment dimension	Score and rating
Effectiveness	Achievement of the (intended) objectives	20 out of 30 points
	Contribution to achievement of objectives	25 out of 30 points
	Quality of implementation	20 out of 20 points
	Unintended results	20 out of 20 points
Overall score and rating		Score: **85 out of 100 points** Rating: Level 2: successful

By the mid-term stage of the project, one outcome indicator and one selected key result indicator (KRI) will be achieved or even overachieved, while two KRIs will be partly achieved. In addition, it is highly probable that one selected KRI will be fully achieved. One outcome indicator and one KRI will not be achieved by the mid-term stage (or will be achieved to a limited degree only). On average, the indicator achievement against mid-term targets is about 66%. In terms of context and conflict sensitivity (fragility), the project has strengthened deescalating factors or connectors and weakened escalating factors by strengthening participation in SFM and by fostering forest-related value chains. In addition, the project has successfully established a locally accessible complaints and grievances redress mechanism. The implementation of FMPs has already started in selected model areas and, through the development and implementation of FMPs and capacity development measures, NFA has been empowered to better manage its forests and avoid environmental and social harm while implementing SFM. As a consequence, there is a high probability that forest management will improve, thus leading to reduced forest degradation and enhanced timber stocks. Regarding the results expected for EE stoves and low-carbon AF solutions, it was shown that the market is still far from achieving a self-sustaining level of growth. The project successfully started developing professional skills and knowledge for forest management and conservation through vocational education in its partner municipalities. Moreover, various forest-related value chains, such as timber, NTFPs and ecotourism, have been strengthened. As a consequence, it was demonstrated that livelihood opportunities are being diversified. The evaluation also found that the quality of project implementation was very high and even exemplary in some aspects, such as the WebMo. The excellent cooperation management was also highlighted by several interview partners. There have been no unintended negative results. However, the project has created some unintended benefits. Implementation risks were tracked in the monitoring system and reporting.

In total, the effectiveness of the project is rated successful (level 2), with 85 out of 100 points.

Analysis and assessment of effectiveness

Effectiveness – Dimension 1: Achievement of the (intended) objectives

The degree to which the project outcome was achieved was assessed on the basis of an analysis of the extent to which the two project outcome indicators (POIs) and three selected KRIs were achieved. The selection of KRIs was based on their representativity to cover the most relevant aspects of the results model and the availability of data. Table 12 summarises the assessment of POIs and KRIs according to SMART (specific, measurable, achievable, relevant, time-bound) criteria.

Table 12: Assessed project objective and objective indicators (outcome level)

Project outcomes according to the GCF funding proposal: M6.0 Increased number of small, medium and large low-emission power suppliers. M9.0 Improved management of land or forest areas contributing to emissions reductions. Key result 1: Reduced forest degradation and enhanced timber stocks. Key result 2: Fuelwood supply switch from illegal harvesting to sustainable level of harvesting by NFA for the population of the three target regions. Key result 3: Self-sustaining level of growth of EE-AF market reached. Key result 4: Roll-out of SFM and continuous EE-AF market development secured via an enabling regulatory framework. Key result 5: Livelihood opportunities are diversified and local self-governance in forest management is strengthened, leading to reduced pressure on forests.		
Project's outcome indicator according to the GCF funding proposal	**Assessment according to SMART* criteria**	**Operationalisation of indicator in evaluation** (especially if necessary for measurement or understanding)
Indicator M6.2: Number of households and individuals (males and females) with improved access to low-emission energy sources. Base value (07/2021): < 1,000 HHs Mid-term target value (07/2025): 10,200 HHs (32,640 beneficiaries; 15,667 male and 16,973 female) Final target value (03/2029): 30,730 HHs (98,337 beneficiaries; 47,202 male and 51,135 female) Current value as assessed by evaluation team (07/2024): 425 Achievement against mid-term target as assessed by evaluation team (11/2024): 4% Source: monitoring system, annual reports from the voucher programme under activity 2.2, progress reports	Outcome indicator M6.2 focuses on the market for EE stoves and is specified by a result-level indicator (key result 3): • I3.1a: Market volume of stoves sold. The indicator is specific, measurable, achievable, relevant and time-bound (defined by mid-term and final targets).	The indicator was maintained.
Indicator M9.1 Hectares of land or forests under improved and effective management that contributes to CO2 emission reductions. Base value (07/2021): 0 ha Mid-term target value (07/2025): 130,000 ha (corresponding to forests of three municipalities) Final target value (03/2029): 270,807 ha (corresponding to forests of eight municipalities) Current value as assessed by evaluation team (11/2024): 130,000 ha (FMPs approved for Chokhatauri, Lanchkhuti and Akhmeta) Achievement against mid-term target as assessed by evaluation team (11/2024): 100% Sources: monitoring system	Outcome indicator M9.1 focuses on improved forest management. It is specified by a result-level indicator (key result 1): • I1.3a: Approval of FMPs. The indicator is measurable, achievable, relevant and time-bound (defined by mid-term and final targets). Nevertheless, it is not considered specific, as it includes a cause-effect relationship ('that contributes to CO2 emission reductions'), thus leading to a result located at impact level.	The indicator is not specific, but was maintained under the assumption that all land or forests under improved and effective management would contribute to a reduction in CO2 emissions. The indicator is not entirely relevant, as the approval of a plan does not mean that forests are actually being sustainably managed. However, the indicator was maintained, as approving a plan is a time-consuming process and it can be considered relevant for a mid-term review.
Indicator 2.1: Cubic metres (m^3) of fuelwood sustainably harvested by NFA in the eight districts. Base value (07/2021): 43,709 m^3	Indicator 2.1 focuses on the sustainable fuelwood supply by NFA (key result 2).	The indicator was maintained.

Project outcomes according to the GCF funding proposal:
M6.0 Increased number of small, medium and large low-emission power suppliers.
M9.0 Improved management of land or forest areas contributing to emissions reductions.
Key result 1: Reduced forest degradation and enhanced timber stocks.
Key result 2: Fuelwood supply switch from illegal harvesting to sustainable level of harvesting by NFA for the population of the three target regions.
Key result 3: Self-sustaining level of growth of EE-AF market reached.
Key result 4: Roll-out of SFM and continuous EE-AF market development secured via an enabling regulatory framework.
Key result 5: Livelihood opportunities are diversified and local self-governance in forest management is strengthened, leading to reduced pressure on forests.

Project's outcome indicator according to the GCF funding proposal	**Assessment according to SMART* criteria**	**Operationalisation of indicator in evaluation** (especially if necessary for measurement or understanding)
Mid-term target value (07/2025): 169,917m^3 (additional 126,208 m^3) Final target value (03/2029): 285,575m^3 Current value as assessed by evaluation team (11/2024): 55,942 Achievement against mid-term target as assessed by evaluation team (11/2024): 10% Source: monitoring system	The indicator is specific, measurable, relevant and time-bound (defined by mid-term and final targets). However, it is not considered achievable by the project team.	
Indicator 3.2: Volume of investment (euros) in EE-AF production sector, disaggregated by sources and instruments (loans, equity, grants). Base value (07/2021): €0 Mid-term target value (07/2025): €2,800,000 Final target value (03/2029): €3,900,000 Current value as assessed by evaluation team (10/2024): €1,471,797 Achievement against mid-term target as assessed by evaluation team (10/2024): 53% Source: monitoring system	Indicator 3.2 depicts the volume of investments made by EE-AF producers in the enhancement of their production capacity (key result 3). Since it describes a significant change in the target group, the indicator is considered to be at outcome level. The indicator is specific, measurable, achievable, relevant and time-bound (defined by mid-term and final targets).	The indicator was maintained.
Indicator 4.1: Provisions of Forest Code mainstreamed into secondary regulations and applied in practice. Base value (07/2021): secondary regulatory framework does not entail SFM provisions of the new Forest Code. Mid-term target value (07/2025): secondary regulatory framework entails SFM provisions of the new Forest Code Final target value (03/2029): secondary regulatory framework implemented accordingly by forest management bodies. Current value as assessed by evaluation team (11/2024): SFM provisions are mainstreamed in 13 regulatory documents. Achievement against mid-term target as assessed by evaluation team (07/2024): 130% Source: monitoring system	The first part of indicator 4.1 focuses on compliance of the secondary regulations with the Forest Code. The second part measures the implementation of the secondary regulations (key result 4). The indicator is achievable, relevant and time-bound (defined by mid-term and final targets). The indicator is not specific, as it encompasses a two-step process (1. mainstreamed, 2. implemented). However, these two steps are differentiated by time and match the mid-term and final targets. The indicator is not measurable, as it does not define or quantify the secondary framework regulations.	The indicator was adapted to match the mid-term target: Number of provisions of Forest Code mainstreamed into secondary regulations.

* SMART: specific, measurable, achievable, relevant and time-bound

POI M6.2 measures the number of households and individuals (males and females) with improved access to low-emission energy sources. It focuses on the market for EE stoves. The evaluation found that, up to November 2024, 425 stoves were sold through the project-financed voucher scheme, which subsidises the acquisition of a certified EE stove (30% in the 2022-23 heating season and 50% in the 2024-25 heating season). Compared to the mid-term target value of 10,200 stoves sold, POI M6.2 has been achieved by 4% (GIZ, 2021a, 2021c, 2023b, 2024e; Int_1, 2, 6, 8 with GIZ; Int_11, 12, 13, 15 with partner). As the voucher scheme has been implemented for only one heating season so far, it can be assumed that the number of stoves sold will increase

further during the winter 2024-25 heating season, until the project's mid-term stage in July 2025. It is nevertheless evident that the target value will not be achieved. The main reasons for the failure to achieve the indicator are the high prices of EE stoves, which have become more expensive due to the increased metal prices caused by the war in Ukraine (GIZ, 2023b, 2024e; Int_2, 3 with donor; Int_1, 2, 6, 8 with GIZ; Int_11, 12, 13, 15 with partner; Int_6, 10 with stakeholder). In addition, the process to connect the country to the gas supply, including in rural areas, has driven down the demand for stoves in general (GIZ, 2023b, 2024e; Int_2, 3 with donor; Int_1, 2, 6, 8 with GIZ; Int_11, 12, 13, 15 with partner; Int_6, 10 with stakeholder). In some cases, the population clearly stated that they were not interested in EE stoves, as they were using gas for heating (FGD_1 with beneficiaries; Int_12 with partner). Furthermore, the sale of officially certified stoves and the corresponding marketing campaigns only began about a year ago, so the population is not yet sufficiently aware of the advantages of EE stoves. In conclusion, there is a high probability that POI M6.2 will be achieved to a very limited extent only. However, several stakeholders clearly considered the indicator to be overly ambitious and in need of adaptation (Int_2, 3 with donor; Int_1, 2, 6, 8 with GIZ; Int_11, 12, 13 with partner; Int_10 with stakeholder).

POI M9.1 focuses on improved forest management by measuring the number of hectares of land or forests under improved and effective management that contributes to a reduction in CO2 emissions. Therefore, 'under improved and effective management' is defined by the approval of an FMP. It was assumed that all land or forests under improved and effective management would contribute to a reduction in CO2 emissions (GIZ, 2021a, 2021c, 2024e; Int_8 with GIZ; Int_1, 10 with partner). Although the approval of a plan does not mean that forests are actually being sustainably managed, the evaluation team considered the approval of an FMP, which is a time-consuming process, as sufficiently relevant for a mid-term review. The evaluation stated that FMPs have been approved in three municipalities (Chokhatauri, Lanchkhuti and Akhmeta), corresponding to a surface area of 130,000 hectares (GIZ, 2021a, 2021c, 2023b, 2024e; GoG, 2024a; Int_8 with GIZ; Int_1, 10 with partner). In comparison to the mid-term target value of the indicator (130,000 ha), it was concluded to be 100% achieved.

KRI 2.1 focuses on the sustainable fuelwood supply by NFA (key result 2) by measuring the volume (in cubic metres) of fuelwood sustainably harvested by NFA in the eight project districts (GIZ, 2021a, 2021c, 2024e; Int_2, 6, 8 with GIZ; Int_2, 10, 11 with partner). Starting from a baseline value of 43,709 cubic metres (baseline revised in the project inception report in July 2021), NFA harvested a total of 55,942 cubic metres of fuelwood sustainably up to December 2023, which corresponds to an additional 12,233 cubic metres of sustainably harvested fuelwood (GIZ, 2021a, 2021c, 2023b, 2024e; Int_2, 6, 8 with GIZ; Int_1, 2, 10, 11, 12 with partner). Compared to the mid-term target value of 169,917 cubic metres, resulting in 126,208 cubic metres of additional sustainably harvested fuelwood, the indicator achievement was about 10%. Although the quantities may have increased since December 2023, the indicator will nevertheless be achieved to a limited extent only. The main reasons are that BSYs, which are designed to provide firewood consumers with sustainably harvested firewood, are not yet fully operational (GIZ, 2024e; Int_1, 2, 6, 8 with GIZ; Int_2, 10, 12 with partner). This is mainly due to delays caused by Covid-19 (GIZ, 2024e; Int_1, 2, 6, 8 with GIZ; Int_10, 11, 12 with partner). In addition, the quantity and quality of timber are not sufficient (GIZ, 2023b, 2024e; Int_2, 6, 8 with GIZ; Int_1, 2, 10, 12 with partner). Moreover, due to increased gas infrastructure, the demand for fuelwood is decreasing (2013: 600,000 m^3; 2023: 200,000 m^3; 2024: 132,000 m^3) (Int_10 with partner).

KRI 3.2 refers to the volume of investments made by producers of EE stoves or AFs in the enhancement of their production capacity (key result 3) (GIZ, 2021a, 2021c, 2024e; RDA, 2024a; Int_8 with GIZ). RDA supports EE-AF producers through the following state programmes: Preferential Agrocredit, and Cofinancing of Processing and Storage Enterprises. RDA subsidises the interest on loans taken out to improve EE-AF production facilities and grants cofinancing of 40% of the total cost of the EE-AF project. The support is provided for the purchase or establishment of permanent assets, including the possible provision of special machinery for business operations and communications, in compliance with the needs of the enterprise (RDA, 2024a; Int_8 with GIZ; Int_1, 6, 7 with stakeholder). The evaluation showed that two EE and two AF producers had invested a total of EUR 1,471,797 up to October 2024, which corresponds to 53% of the expected mid-term target value of

EUR 2,800,000 (RDA, 2024a). Currently, there are 14 new applications from EE-AF producers for RDA support under review, corresponding to a total investment of about EUR 5,418,000 (RDA, 2024a; Int_11 with partner). These figures show that there is a high probability of additional investments before July 2025. The evaluation team therefore concluded that KRI 3.2 has been partly achieved, but there is a high probability that the indicator will be fully achieved by July 2025.

KRI 4.1 measures the number of provisions of the Forest Code mainstreamed into secondary regulations and applied in practice. It focuses on compliance of the secondary regulations with the Forest Code. The second part of the indicator measures the implementation of the secondary regulations (key result 4) (GIZ, 2021a, 2021c, 2024e; Int_8 with GIZ; Int_10 with partner). The indicator is not specific, as it encompasses a two-step process (1. mainstreamed, 2. implemented). However, these two steps are differentiated in time and match the mid-term and final targets. In addition, the indicator is not measurable, as it does not define or quantify the secondary framework regulations. As a consequence, the indicator was adapted to match the mid-term target, i.e. the number of provisions of the Forest Code mainstreamed into secondary regulations (target value: 10). The evaluation showed that, up to November 2024, SFM provisions had been mainstreamed into the following 13 regulatory documents (GIZ, 2024e, 2024i; GoG, 2024b; Int_8 with GIZ; Int_10 with partner):

- Regulation on the Committee for Defining and Granting of the Status of Forest,
- Regulation on Defining the List of Forest-Forming Woody Plant Species,
- Regulation on the National Forest Programme,
- Regulation on the Ranking of Positions and Qualification Requirements of Persons Employed in the State Forest,
- Regulation on the Forest Information and Monitoring System (FIMS),
- Resolution No. 231 on National-Level Criteria and Indicators for SFM,
- Resolution No. 383 on Forest Protection, Restoration and Maintenance,
- Resolution No. 427 on Forest Monitoring, Planning and Categorisation,
- Resolution No. 496 on the Granting and Termination of Forest Status and Determination of Forest Boundaries,
- Resolution No. 221 on Forest Use,
- Resolution on the Forester's Professional Day,
- Resolution on the Establishment of Official Clothing for Employees, and
- Resolution on the Rules for the Import, Export and Production of Forest Reproductive Materials.

In conclusion, the evaluation considered KRI 4.1 to have been fully achieved (overachieved by 130%).

In terms of context and conflict sensitivity (fragility), the evaluation also assessed the extent to which the project was able to strengthen deescalating factors or connectors and weaken escalating factors or dividers and to address aspects of human rights. By strengthening the technical and human capacities of municipal authorities and citizens to participate in SFM and by fostering forest-related value chains, as well as access to knowledge and educational opportunities for local communities, the project contributed to mitigating potential adverse social effects through the new management of forest products and to reducing potential conflicts between state institutions (NFA, DES and MEPA) and the local population in the implementation of the provisions of the new Forest Code (GIZ, 2021a; Int_14 with partner). In addition, the project successfully established a locally accessible complaints and grievances redress mechanism through NFA, which is currently in the testing phase (GIZ, 2024e; Int_4 with donor; Int_7, 8 with GIZ; Int_1, 10 with partner). Nevertheless, several final beneficiaries expressed their dissatisfaction with the restrictions imposed by the new Forest Code (FGD_2 with beneficiaries). There is a clear need for additional communication efforts to explain the need for regulated forest management and the associated advantages. The likely negative impact of the transparency law on freedom of expression in the country and the resulting restrictions on civil society are expected to have a negative impact on the project's feasibility (Int_3 with GIZ; Int_15 with partner; Int_3, 4, 5, 8, 9 with stakeholder). However, the project has no power to exert any influence in this area.

In summary, the evaluation team concluded that POI M9.1 and KRI 4.1 will probably be fully achieved or even overachieved by the mid-term stage of the project. In addition, KRI 3.2 has been partly achieved, but there is a high probability that the indicator will be fully achieved by the mid-term stage. However, by the mid-term stage of the project, POI M6.2 and KRI 2.1 will not or only to a limited degree be achieved. On average, the indicator achievement against mid-term targets is about 66%. The project contributed to reducing potential conflicts between state institutions and the local population in the implementation of the provisions of the new Forest Code and by establishing a grievance mechanism, but additional efforts are needed.

Effectiveness dimension 1 – Achievement of the (intended) objectives – scores **20 out of 30 points.**

Effectiveness – Dimension 2: Contribution to achievement of outcomes

The project's contribution to the achievement of its outcomes was assessed by selecting three results hypotheses from the project's ToC and describing how the instruments, activities and outputs contributed to achieving the project outcomes. In addition, an alternative scenario describes what would have happened had the project not been set up. As key results 1 to 4 are located methodologically at the outcome level, they are assessed under dimension 1. Moreover, the achievement of the SDC-funded and output-level key result 5 is briefly assessed.

Selection of results hypotheses

The evaluation analysed selected hypotheses from the ToC of the three components:

- Hypothesis 1 was selected because it focuses on the development and implementation of FMPs, which are a precondition for reduced forest degradation and enhanced timber stocks (component 1).
- Hypothesis 2 was selected because it focuses on the development of EE-AF supply chains, which form the basis for a sustainable EE-AF market (component 2).
- Hypothesis 3 was selected due to the high relevance of professional skills and knowledge for forest management and conservation through vocational education for the diversification of livelihood opportunities (component 3).

All hypotheses were assessed from activity or sub-activity level to key result or outcome level.

Table 13: Effectiveness – Assessment of results hypothesis 1

Results hypothesis 1 (activity – result / outcome)	The project foresees the development of 10-year sustainable FMPs, based on forest management inventories, data analysis and multistakeholder consultations in eight forest districts (Kvareli, Dedoplistskaro, Telavi, Tianeti, Chokhatauri, Ozurgeti, Lanchkhuti and Akhmeta) within the three target regions (Kakheti, Guria and Mtskheta-Mtianeti) (**sub-activity 1.1.1**). FMPs are expected to be approved and operationalised through active interventions, including restoration and maintenance (including fire, pest and disease management, restoration and reforestation measures), logging operations (maintenance and final cutting), and the construction of resilient forest infrastructure (**sub-activity 1.1.2**). As a consequence, FMPs are expected to be implemented in eight districts (**activity 1.1**). The underlying **hypothesis** was that, by implementing the FMPs, NFA would be empowered to better manage its forests. As a consequence, the management of forest areas would be improved (**outcome M9.0**), thus leading to reduced forest degradation and enhanced timber stocks (**key result 1**).
Main assumptions and necessary context factors	Private sector forest services (expected to implement 70% of the necessary forest measures) accept the investment support scheme for private sector contractors (financed by GoG through RDA, (micro)finance institutions and banks) for the investment in new, SFM-specific equipment to comply with the SFM approach.
Risks and unintended results	Delays in the approval of the Forest Code, FMPs and key regulations may impact the project. No unintended positive or negative results at output or outcome level were identified at the time of the evaluation mission.
Alternative explanation(s)	Development and implementation of SFM plans financed by other donors.

Assessment of hypothesis	confirmed

Regarding hypothesis 1, the evaluation team found that the project had clearly contributed to the development of FMPs in eight forest districts (Kvareli, Dedoplistskaro, Telavi, Tianeti, Chokhatauri, Ozurgeti, Lanchkhuti and Akhmeta) within the three target regions (Kakheti, Guria and Mtskheta-Mtianeti). FMPs have been approved in three municipalities: Chokhatauri, Lanchkhuti and Akhmeta (GIZ, 2024e, 2024f, 2024h; GoG, 2024a; Int_2, 6, 10 with partner). The FMP for Akhmeta was approved by Decree No. 2-146 of the Minister for Environmental Protection and Agriculture on 14 February 2024 (GoG, 2024a). The draft FMPs for the districts of Dedoplistskaro, Telavi and Kvareli have been developed and sent to NFA for comments (GIZ, 2024e, 2024f, 2024h; Int_2, 6, 10 with partner), while the fieldwork prior to the development of an FMP has finished in the districts of Chokhatauri and Lanchkhuti (GIZ, 2024e, 2024f, 2024h; Int_2, 6, 10 with partner). However, the development of FMPs for Tianeti and Ozurgeti is currently delayed due to the consulting company's failure to deliver the services (GIZ, 2024e). The implementation of FMPs has already started in selected model areas, for example through the construction of forest roads (Int_14 with partner), with environmental and social concerns taken into account (GIZ, 2021e). The evaluation team also confirmed that, through the development and implementation of FMPs and capacity development measures, NFA was empowered to better manage its forests (Int_2, 6, 10, 14 with partner). As a consequence, the evaluation team concluded that there is a high probability that the management of forest areas will improve, which will reduce forest degradation and enhance timber stocks. The main assumption—that private sector forest services, which are expected to implement 70% of the necessary forest measures, will accept the investment support scheme for private contractors—was not challenged in the mid-term evaluation, as the implementation of these forest measures had not yet begun. Although the Forest Code was approved in May 2020, the risk that delays in the approval of FMPs and key regulations might impact the project was confirmed (GIZ, 2024e; GoG, 2020; Int_13 with partner). However, this risk could be considerably reduced by slightly extending the project term. There was no evidence for the alternative explanation that the development and implementation of SFM plans would be financed by other donors. In view of the fact that this was a mid-term evaluation and that the intended results may not have fully materialised yet, it was concluded that hypothesis 1 can be considered fulfilled at this stage.

Table 14: Effectiveness – Assessment of results hypothesis 2

Results hypothesis 2 (activity – result / outcome)	The ECO.Georgia project plans to establish a Technical Assistance and Investment Support Facility (TAISF) focusing on EE stoves and upgraded solid biofuel (USB) products from forest and agricultural residue (**sub-activity 2.1.1**). This is expected to facilitate the creation and expedited growth of the supply chain for EE and low-carbon AF solutions (**activity 2.1**). In parallel, the project intends to design and implement a voucher programme for EE stoves for households (**sub-activity 2.2.1**), which will result in the implementation of consumer financing instruments for EE-AF solutions (**activity 2.2**). Through these activities, it is **hypothesised** that the consumer demand for EE-AF alternatives will increase until a self-sustaining level of growth of the EE-AF market is reached (**key result 3**), which will lead to an increased number of small, medium and large low-emission power suppliers (**outcome M6.0**).
Main assumptions and necessary context factors	Consumer awareness and provision of technical advisory services for fuelwood users has risen (activity 2.3). Consumers consider the subsidies high enough to buy the more expensive EE stoves.
Risks and unintended results	The take-up of EE stoves remains insufficient despite the discount offered. The availability of cheap and mostly illegal fuelwood slows down the development of the EE-AF market. No unintended positive or negative results at output or outcome level were identified at the time of the evaluation mission.
Alternative explanation(s)	Illegal harvesting is reduced by switching to alternative fossil fuels (gas).
Assessment of hypothesis	rather not confirmed

With regard to hypothesis 2, the evaluation team observed that the institutional setup of a Technical Assistance and Investment Support Facility (TAISF) within RDA was completed in July 2023. The facility focuses on EE stoves and upgraded solid biofuel (USB) products and has been operational since 2024 (GIZ, 2019a, 2021a, 2021c, 2023b, 2024e, 2024f, 2024h; RDA, 2024a; Int_2, 6 with GIZ; Int_6, 11, 13 with partner). In parallel, the project successfully designed and implemented a voucher programme for EE stoves for households, which resulted in the implementation of consumer financing instruments for EE-AF solutions (GIZ, 2023b, 2024e; RDA, 2024a; Int_2, 6 with GIZ; Int_6, 11, 13 with partner). It was hypothesised that, through these activities, the consumer demand for EE-AF alternatives would increase until a self-sustaining level of growth of the EE-AF market was reached (GIZ, 2019a, 2021a, 2021c). The evaluation found that the consumer demand for EE stoves had clearly increased, but was far from reaching a sustainable level (please refer to the assessment of POI M6.2 above). AF producers also confirmed that they faced challenges in increasing their production, mainly due to a lack of raw materials (Int_6 with stakeholder). In conclusion, there is a medium-high probability that the number of small, medium and large low-emission power suppliers will increase, though only to a limited extent. The assumption that consumer awareness and provision of technical advisory services for fuelwood users would rise was confirmed. The project has carried out numerous activities to raise awareness about forests and provide technical advisory services to fuelwood users on EE stoves, including conferences, demonstration houses and campaigns through different communication channels (TV, radio, social media) (GIZ, 2023b, 2024e; Int_6 with GIZ; Int_1, 2 with beneficiaries). According to the data provided by the advertising company, the total reach of the campaign through all of the different channels was 1.6 million people nationwide and about 160,000 people in the target regions (activity 2.3) (GIZ, 2024e). However, interviews showed that awareness about the advantages of EE stoves was not yet sufficient (FGD_2, 3 with beneficiaries). The consumers confirmed that the availability of subsidies played a key role in their decision to purchase an EE stove (Int_1, 2 with beneficiaries). Some consumers and stakeholders, however, clearly considered the level of subsidies to be insufficient to purchase the more expensive EE stoves, particularly in view of the fact that the prices of the stoves had risen significantly (FGD_2, 3 with beneficiaries). In addition, the evaluation confirmed the risk that the take-up of EE stoves would remain insufficient despite the discount offered and that the availability of cheap and mostly illegal fuelwood would slow down the development of the EE-AF market. There was no evidence for the alternative explanation that illegal harvesting might be reduced by switching from firewood to alternative fossil fuels (gas). The evaluation therefore concluded that hypothesis 2 was rather not confirmed, but positive developments are still possible before the end of the project.

Table 15: Effectiveness – Assessment of results hypothesis 3

Results hypothesis 3 (activity – result / outcome)	The project plans to develop professional skills and knowledge relating to forest management and conservation through vocational education. It focuses, in particular, on members of local communities who are expected to be hired as workers in formal forest-related employment as forest workers, either at NFA or service contractors (**activity 3.3**). Moreover, it is expected that various forest-related value chains, such as timber, NTFPs and ecotourism, will be strengthened (**activity 3.4**). As a consequence, livelihood opportunities are expected to be diversified (**key result 5**).
Main assumptions and necessary context factors	Members of local communities are willing to invest time in attending training courses.
Risks and unintended results	Without alternative livelihood options and increased local participation of forest managers, pressure on forests, illegal harvesting and unequal access will continue. Legal restrictions on the collection of NTFPs may slow down or impede the strengthening of the NTFP value chain. No unintended positive or negative results at output or outcome level were identified at the time of the evaluation mission.
Alternative explanation(s)	GoG finances an employment programme for members of rural communities. Vocational education activities are financed by other donors.
Assessment of hypothesis	confirmed

With regard to hypothesis 3, the evaluation revealed that the project developed professional skills and knowledge relating to forest management and conservation through vocational education. It developed long-cycle TVET courses on forest-related value chains, in particular the 18-month Forest Work Specialist course, which was approved by the Ministry of Education in June 2024 (Int_3 with GIZ; Int_4, 8, 9 with partner). Horizonti vocational college in the Guria region, which has branches in all three target municipalities (Ozurgeti, Chokhatauri and Lanchkhuti), launched the course in November 2024 (Int_3 with GIZ; Int_4, 8, 9 with partner). The students who registered for the first edition were mostly from NFA (Int_4, 8, 9 with partner). In addition, the project developed, in cooperation with the Skills Development Agency (SDA), short-cycle courses on forest-related value chains, timber logging, sawmill operations and the use of NTFPs (Int_3 with GIZ; Int_4, 8, 9 with partner). The final curricula and programmes have been validated and accredited (GIZ, 2024e). The eight TVET colleges that will teach the programmes are Tetnuldi, New Wave, Opizari, Kartli, Horizonti, Tsinamdzghvriantkari, Aisi and Prestiji (GIZ, 2024e). The last four of these colleges are located in the project's target regions. It was confirmed that teaching is scheduled to start in January 2025 (Int_3 with GIZ; Int_4, 8, 9 with partner). In parallel, the project strengthened various forest-related value chains, such as timber, NTFPs and ecotourism (GIZ, 2023b, 2024e; Int_4 with donor; Int_6 with GIZ; Int_3 with partner). It collaborated above all with NGOs working in specific value chains, such as the Georgian Ecotourism Association (GEA), which develops hiking trails in the municipalities of Tianeti, Akhmeta and Lanchkhuti. The trails are expected to be certified by the European Greenways Association and included in the greenways network (GIZ, 2024e). In cooperation with Sparkassenstiftung (SPK), theoretical capacity building activities, including training courses, were conducted for the Georgian Handicraft Association (GHCA) and the Georgian Forest Product Association (GFPA) (GIZ, 2024e; Int_2 with GIZ; Int_5, 8 with stakeholder). Additionally, a gender assessment of the value chains was conducted to identify the needs of the abovementioned organisations (GIZ, 2024o). In response to a call for proposals, 32 participants, including 17 women, presented project ideas, and 13 of these received funding; five applicants were involved in ecotourism value chain, six applicants focused on NTFPs and two applicants worked with timber forest products (TFPs) (GIZ, 2024e; Int_2, 3, 9 with stakeholder). In conclusion, the evaluation team found that there is a high probability that livelihood opportunities will be diversified in the target regions. Hypothesis 3 was therefore considered confirmed.

Regarding the question of what the situation would have been without the project (alternative scenario), the interviewees stated that:

- more people would leave rural areas and migrate to the cities (Int_10 with partner),
- there would be no structured approach to manage forests sustainably (Int_7 with GIZ),
- there would be fewer BSYs and slower implementation of the Forest Code (Int_7 with GIZ),
- NFA would be less empowered to deliver fuelwood (Int_7 with GIZ),
- the market for EE stoves would be less structured (Int_7 with GIZ),
- there would be no MRV system for the forest sector (Int_7 with GIZ),
- a Forest Information and Monitoring System (FIMS) would not exist (Int_7 with GIZ),
- no one in the forest sector would talk about gender (Int_7 with GIZ),
- there would be no focal point for environment, health and safety in the partner institutions (Int_7 with GIZ),
- a grievance mechanism would not exist (Int_7 with GIZ),
- BSYs would not respect environmental standards (Int_7 with GIZ),
- they would try to secure other sources of financing (Int_4 with partner),
- no one in rural areas would know about energy efficiency (Int_11 with partner),
- people would not know that it is possible to use less wood (Int_11 with partner), and
- they would not have BSYs as best practices that can be used in other municipalities (Int_10 with partner).

Assessment of specific SDC-funded key result 5 indicators:

In addition, the evaluation also assessed the achievement of selected indicators of the SDC-funded key result 5, which are closer to the output than the outcome level.

According to KRI 5.1, four municipalities in all three target regions are expected to be ready to fully institutionalise the municipal forest management (MFM) toolbox. It focuses on key result 5 / SDC objective. Readiness to fully institutionalise the toolbox is considered to be fulfilled when the following conditions are met (GIZ, 2021a, 2021b, 2021c, 2024e):

- The legal basis for transferring forests of local importance is available.
- The toolbox is ready and the tools are available.
- Municipal staff members are trained on selected tools and are ready to implement them on their own in at least four municipalities.
- There is a written confirmation from four municipalities that the toolbox is being institutionalised.

The evaluation found that the creation of the legislative framework for municipal forest management, particularly in terms of the identification of forests of local importance and transferral to municipalities, had started. A draft law on the definition of forests of local importance had been developed in a collaborative effort by the end of 2023 (GIZ, 2024e; GoG, 2024c). This initiative involved the active participation of both the central government and all eight target municipalities through a dedicated working group created by MEPA (GIZ, 2024e). For public participation and engagement, the draft document was presented to the National Forest Programme (2 April 2024) and updated based on consultations and comments. The document is being finalised for submission to the ministries concerned for a final decision (GIZ, 2024e). The development and introduction of the municipal forest management toolbox is also progressing successfully. Out of the eight instruments, four have been developed (cost-benefit analysis, green space management, gender-responsive instruments and procedures to ensure improved public participation, the use of geographic information systems (GIS)), two are in progress (SWOT analysis, scenario for institutional arrangements) and two are scheduled to be developed in 2025 (future scenarios on forest development, gender-responsive institutional development plans) (GIZ, 2023b, 2024e; Int_8 with GIZ; Int_1, 7, 15 with partner). Municipal staff members have been trained on cost-benefit analyses, green space management and GIS in four municipalities (Ozurgeti, Chokhatauri, Telavi and Akhmeta) (GIZ, 2023b, 2024e; Int_8 with GIZ; Int_1, 4, 7, 15 with partner). Some interviewees confirmed that the training was useful (Int_7 with partner), while others did not confirm its usefulness (Int_1 with partner). However, so far there is no written confirmation from municipalities that the toolbox is being institutionalised. In several cases, municipalities stated that they had not yet decided to take over responsibility for forest management (Int_1, 7, 15 with partner). Although significant progress has been made towards achieving KRI 5.1, full institutionalisation of the toolbox may not be achieved before June 2025. In conclusion, KRI 5.1 is considered to have been achieved by 75%.

KRI 5.7 focuses on the participation of CSOs and municipal authorities (key result 5 / SDC objective) by measuring the number of joint SFM initiatives suggested by CSOs and municipal authorities (GIZ, 2021b, 2024). The evaluation found that an SFM idea competition was held in late 2023, which resulted in 51 initiatives being proposed instead of the 16 that were expected (two per municipality) (GIZ, 2024j; Int_8 with GIZ; FGD_1 with beneficiaries; Int_1, 7, 15 with partner; Int_3 with stakeholder). The applicants included individuals, initiative groups, local NGOs and non-entrepreneurial non-commercial legal entities (NNLEs) (GIZ, 2024j). The themes of the applications encompassed various forest-related topics, with a particular emphasis on forest-related education and the potential for recreation and ecotourism, as well as non-timber forest resources (GIZ, 2024j). KRI 5.7 was therefore considered to be overachieved (319%).

According to KRI 5.9, 32 newly established or improved business models by local entrepreneurs and small and medium-sized enterprises (SMEs) based on forest-related value chains in NTFPs, ecotourism and wood products are expected (key result 5 / SDC objective) (GIZ, 2021a, 2021b, 2021c). The evaluation revealed that 32 beneficiaries have developed business plans, 17 of which were developed by women (53%) and 15 by men (47%) (GIZ, 2024k; Int_3, 2, 5, 8 with stakeholder). Regarding business plans developed by value chains, 11 plans (34%) related to NTFPs, four plans (13%) to TFPs and 17 (53%) to ecotourism (GIZ, 2024k; Int_3, 2, 5, 8 with stakeholder). KRI 5.9 was therefore considered to be 100% achieved.

KRI 5.11 focuses on the vocational education and training (VET) system (key result 5 / SDC objective) and measures the number of contributions made towards a more inclusive or more labour-market relevant VET system launched by the project (target value: 6). The contributions were defined as follows (GIZ, 2021b, 2024a, 2024e):

- upgraded Forest Work Specialist course,
- new college (Horizonti) teaching the Forest Work Specialist course,
- promotion of the Forest Work Specialist course,
- enhanced employment possibilities for graduates of the Forest Work Specialist course, in cooperation with NFA and private sector companies,
- short-cycle course on NTFPs, and
- short-cycle courses on TFPs.

The evaluation revealed that the upgraded Forest Work Specialist course was accredited in June 2024, so all seven TVET colleges with existing forest courses will have the option to introduce the programme in autumn 2024 (GIZ, 2024e; Int_3, 4, 8, 9 with partner). Horizonti college launched the Forest Work Specialist course in November 2024 (GIZ, 2024e; Int_3, 9 with partner). To enhance employment possibilities for graduates of the course, GIZ started developing ideas for matching students, graduates and potential employers during implementation of the course, in cooperation with NFA and private sector companies, for example through internships (GIZ, 2024e; Int_3, 9, 10 with partner). In addition, memoranda of understanding were signed between NFA and all eight TVET colleges, with a focus on internships and support provided by NFA to college students in terms of practical teaching (GoG, 2024d). Three gender-sensitive short-cycle training programmes (of up to three months) had been developed for forest-related value chains (NTFPs, TFPs) by September 2024 and were accredited and validated (GIZ, 2024e; Int_8, 9 with partner). These focus on timber logging, sawmill operations and sustainable use of NTFPs (GIZ, 2024e; Int_8, 9 with partner). The promotion of the Forest Work Specialist course is ongoing and will probably be achieved by June 2025. TVET colleges also confirmed having developed specific training modules for women on so-called ‘gender forestry’ (Int_8, 9 with partner). KRI 5.11 was therefore considered to have been nearly completely achieved.

Effectiveness dimension 2 – Contribution to achievement of objectives – scores **25 out of 30 points.**

Effectiveness – Dimension 3: Quality of implementation

The quality of project implementation was assessed based on the project documents and feedback from stakeholders on cooperation management. In particular, the evaluation assessed the extent to which the quality of implementation contributed to the success of the project, according to the Capacity WORKS management model.

Regarding project monitoring, the evaluation found that the project team had established and used a web-based monitoring system (WebMo), which integrates the logical frameworks and result matrix of all three donor organisations (GIZ, 2024e). It clearly describes the project setup and defines responsibilities. Progress is measured through indicators, milestones and deliverables (GIZ, 2024e). It also includes an ESHS MS and a GAP (GIZ, 2024e). Monitoring data was disaggregated by gender (GIZ, 2024e). WebMo also contains risk

monitoring, which forms the basis for discussions with partners in PIU meetings, and monitoring of strategic challenges (GIZ, 2024e; Int_4 with donor; Int_2, 6, 8 with GIZ). The monitoring system is considered to be exhaustive and, despite the project's high complexity, highly accessible, even for outsiders. In addition, WebMo is accessible to and used by project partners. The evaluation therefore considered the project's monitoring system to be exemplary.

In terms of cooperation management, the project actively involves all relevant stakeholders, including institutions at national and district level, colleges, NGOs, private sector companies and communities. Relevant key stakeholders highly appreciated the project's participatory approach (Int_2 with donor; Int_3, 6 with partner). In addition, the project team actively involves key stakeholders in decision-making processes, for example through regular meetings at operational and strategic level (GIZ, 2022c; Int_2 with donor; Int_3, 6 with partner). The evaluation also found that the project successfully merged all relevant forest-related initiatives in Georgia into one large project by bringing together three donor organisations and leveraging considerable funds from the Georgian budget (Int_2, 3 with donor; Int_3, 6 with partner).

The project actively fosters learning processes, especially through capacity development measures for all stakeholders. In addition, it has set up an online knowledge management and training platform (KMTP) for the forest sector (GIZ, 2022b, 2022c, 2024f; FGD_1 with beneficiaries; Int_3, 6 with partner).

The project also has a dedicated steering system with a two-level meeting structure. At operational level, meetings including members of PIU take place about once a month. At strategic level, meetings include all key partners and take place twice a year (March and September). These meetings are aimed at making decisions, approving progress reports and discussing lessons learnt and project progress (GIZ, 2022b, 2022c, 2024f; Int_4 with donor; Int_8 with GIZ; Int_6, 13 with partner). In addition, project steering comprises informal and ad-hoc meetings in accordance with specific project implementation needs. One key stakeholder at strategic level expressed his wish to have shorter or more component-focused steering meetings (Int_4 with donor). Nevertheless, given the project's complexity and the need to address the links between the three project components, it would be challenging to streamline steering processes. Moreover, the statements by the interviewees were somewhat contradictory; while some stakeholders at strategic level found the meetings too long, others would have liked even more involvement of decision-makers (Int_6, 13 with partner).

In conclusion, the evaluation found that the quality of project implementation was very high. The excellent cooperation management was also highlighted by several interview partners. The few criticisms were of minimal significance, especially when compared to the overwhelmingly positive feedback.

Effectiveness dimension 3 – Quality of implementation – scores **20 out of 20 points.**

Effectiveness – Dimension 4: Unintended results

The evaluation identified the extent to which the project's negative and positive unintended results occurred at activity (output) and outcome level, primarily by collecting data and the opinions of key stakeholders. Moreover, the project monitoring system and progress reports were assessed regarding the degree to which unintended risks and negative results at output and outcome level were addressed, as were the project measures to counteract these risks and negative results. Finally, based on an analysis of project documents and opinions expressed by key stakeholders in the partner region, project measures to exploit potential positive results were identified.

The evaluation did not identify any unintended negative results. Implementation risks were tracked in the monitoring system and (bi-)annual reporting. Regarding unintended benefits, interview partners mentioned that the

project had developed a new methodology to determine the extent of forest degradation, which will be contributed to the United Nations Framework Convention on Climate Change (UNFCCC). (Int_8 with GIZ). Moreover, municipalities used the municipal forest management (MFM) toolbox to improve the management of their green spaces (Int_1 with partner). In addition, interviewees confirmed that the municipalities will use their newly developed skills on GIS for cadastral mapping, master plans, etc. (Int_1 with partner).

Effectiveness dimension 4 – Unintended results – scores **20 out of 20 points.**

Photo 2: Energy efficient stove under production (Source/©: Josef Seitz, 2024)



Methodology for assessing effectiveness

Table 16: Evaluation matrix for OECD DAC criterion effectiveness

Effectiveness assessment dimensions	Basis of assessment	Evaluation design, empirical methods and data sources	Data quality and limitations
Achievement of the (intended) objectives	Extent to which project outcomes M6.0 and M9.0 were achieved regarding the mid-term targets of the two outcome indicators: 1. M6.2: Number of households and individuals (males and females) with improved access to low-emission energy sources. 2. M9.1: Hectares of land or forests under improved and effective management that contributes to CO2 emission reductions. Extent to which selected indicators of key results 2, 3 and 4 were achieved regarding the mid-term targets: 3. Indicator 2.1: Cubic metres (m3) of fuelwood sustainably harvested by NFA in the eight districts.	**Evaluation design:** Comparison of the current status of the project objective indicators against the baselines: M6.2: Number of stoves (eq. 1 stove per household). M9.1: Approximation: Hectares of land or forests under improved and effective management (availability of FMPs, forest ecosystem map, forest inventory). The analysis followed the analytical questions in the evaluation matrix, including specific GCF evaluation questions (see Annex). **Empirical methods and data sources:**	• Data availability was limited, as detailed data on outcome indicators will not be available until 2025. • Progress reports were available. • Project staff and key stakeholders were available. • Assessment of indicator achievement needs to be based on interviews, which mainly results in limited possibilities for triangulation.

Effectiveness assessment dimensions	Basis of assessment	Evaluation design, empirical methods and data sources	Data quality and limitations
	4. Indicator 3.2: Volume of investment (euros) in EE-AF production sector, disaggregated by sources and instruments (loans, equity, grants). 5. Indicator 4.1: Secondary regulatory framework entails SFM provisions of the new Forest Code. **Context/conflict sensitivity (fragility):** Extent to which the project was able to strengthen deescalating factors / connectors and to weaken escalating factors / dividers and to address human rights aspects.	• document analysis and secondary data analysis: GCF funding proposal (2021), GCF feasibility study (2020), BMZ project proposal (2019) and modification proposals (2021), SDC project documentation (2021), result matrices and logframes, progress reports (GCF, BMZ, SDC), WebMo, gender assessment (2019) and study (2024), environmental and social management plan (2021), • M6.2: Annual reports from the voucher programme under activity 2.2, progress reports, • M9.1: WebMo, NFA, • 2.1: WebMo, NFA, • 3.2: WebMo, RDA, MESD, • 4.1: WebMo, DES, NFA, BFD, • 5.1: WebMo, municipalities, • 5.7: WebMo, municipalities, CSOs, • 5.9: WebMo, local entrepreneurs, • 5.11: WebMo, colleges, Ministry of Education, • semi-structured interviews with key stakeholders, in particular target groups, and • triangulation with opinions of key stakeholders (see Table 4).	**Overall data quality for this assessment dimension:** moderate
Contribution to achievement of objectives	Extent to which the contribution of the activities and sub-activities to the achievement of the intended outcomes and key results were demonstrated in the analysis. Selected results hypotheses from the project's ToC: • component 1 (Development and implementation of SFM plans), • component 2 (EE-AF supply chain development), and • component 3 (Professional skills and knowledge relevant to SFM and conservation). Hypotheses were assessed from activities to outcome level. Extent to which selected indicators of key result 5 (SDC-financed) were achieved regarding the final targets (06/2025): 1. Indicator 5.1: 4 municipalities in all three target regions ready to fully institutionalise the municipal forest management (MFM) toolbox, 2. Indicator 5.7: 2 joint SFM initiatives per municipality suggested by CSOs and municipal authorities, 3. Indicator 5.9: 32 new or improved business models established by local entrepreneurs and small and medium-sized enterprises (SMEs) based on forest-related value chains in NTFPs, ecotourism and wood products), and	**Evaluation design:** Contribution analysis: a contribution story describes how the instruments, activities and outputs have contributed to achieving the project objective. An alternative scenario describes what would have happened had the project not been set up. The analysis followed the analytical questions in the evaluation matrix, including specific GCF evaluation questions (see Annex). **Empirical methods and data sources:** • document analysis and secondary data analysis: GCF funding proposal (2021), GCF feasibility study (2020), BMZ project proposal (2019) and modification proposals (2021), SDC project documentation (2021), result matrices and logframes, progress reports (GCF, BMZ, SDC), WebMo, gender assessment (2019) and study (2024), environmental and social management plan (2021), • semi-structured interviews with key stakeholders, in particular target groups, and • triangulation with opinions of key stakeholders (see Table 4).	Data quality was good due to the multitude of stakeholders available. However, detailed data on outcome indicators will not be available until 2025. **Overall data quality for this assessment dimension:** good

Effectiveness assessment dimensions	Basis of assessment	Evaluation design, empirical methods and data sources	Data quality and limitations
	4. Indicator 5.11: 6 contributions towards a more inclusive or more labour-market relevant VET system launched by the project.		
Quality of implementation	The extent to which the quality of implementation contributed to the success of the project. The analysis was structured according to the Capacity WORKS success factors: • results-based monitoring, • stakeholder map, • capacity development strategy, • steering structure, • operational plan, • integration of cofinancing and • learning processes established.	**Evaluation design:** No specific evaluation design was applied. The analysis followed the analytical questions in the evaluation matrix, including specific GCF evaluation questions (see Annex). **Empirical methods and data sources:** • document analysis and secondary data analysis: GCF funding proposal (2021), GCF feasibility study (2020), BMZ project proposal (2019) and modification proposals (2021), SDC project documentation (2021), result matrices and logframes, progress reports (GCF, BMZ, SDC), WebMo, gender assessment (2019) and study (2024), environmental and social management plan (2021), • semi-structured interviews with key stakeholders, in particular target groups, and • triangulation with opinions of key stakeholders (see Table 4).	Data quality was strong due to the multitude of management documents and instruments available. In addition, project staff and key stakeholders were available. **Overall data quality for this assessment dimension:** strong
Unintended results	Extent to which unintended positive and negative results at activity and outcome level were observed/anticipated by the evaluation. Extent to which these gave rise to benefits and risks and the way in which the project monitored and responded to these unintended effects. **Context/conflict sensitivity (fragility):** Extent to which the project applied conflict-sensitive project management and monitoring (especially of risks and unintended effects).	**Evaluation design:** Most significant change approach (significant change stories). **Empirical methods and data sources:** • document analysis and secondary data analysis: GCF funding proposal (2021), GCF feasibility study (2020), BMZ project proposal (2019) and modification proposals (2021), SDC project documentation (2021), result matrices and logframes, progress reports (GCF, BMZ, SDC), WebMo, gender assessment (2019) and study (2024), environmental and social management plan (2021), • semi-structured interviews with key stakeholders, in particular target groups, and • triangulation with opinions of key stakeholders (see Table 4).	Data quality was good due to the good quality of the monitoring system and the multitude of management documents available. In addition, project staff and key stakeholders were available. **Overall data quality for this assessment dimension:** good
* SMART: specific, measurable, achievable, relevant and time-bound			

4.5 Impact

This section analyses and assesses the impact of the project. It is structured according to the assessment dimensions specified by the BMZ (see Annex).

Summarising assessment and rating of impact

Table 17. Rating of OECD DAC criterion impact

Criterion	Assessment dimension	Score and rating
Impact	Higher-level (intended) development changes/results	-
	Contribution to higher-level (intended) development results/changes	-
	Contribution to higher-level (unintended) development results/changes	This dimension is not applicable to GCF mid-term reviews. Unintended effects are assessed under effectiveness only.
Impact score and rating		Score: **-** Rating: Not rated, in accordance with TOR

Georgia has quantified NDC targets to increase its carbon sequestration capacity by 10% through the forestry sector. This objective is expected to be achieved by restoring degraded forests, supporting SFM and developing a forest management system adapted to climate change challenges. Nevertheless, Georgia did not have an MRV system at that time. In addition, the recent national inventory revealed that the degree of degradation of Georgian forests is about 35%, which is much higher than expected. Consequently, there is a medium-to-high probability that reduced forest degradation and enhanced timber stocks will contribute to a reduction in CO2 emissions (SDG 13). For the moment, however, it is impossible to predict the degree to which this will occur. The progress of the project's achievements to reduce forest degradation and enhance timber stocks and the strong commitment of GoG to strengthen forest protection and increase SFM led the evaluation team to conclude that there is a medium-to-high probability that forest carbon stocks will be directly enhanced, thus reducing CO2 emissions.

GoG is strongly committed to strengthening forest protection and increasing SFM. The newly adopted Forest Code and the Roadmap of the Georgian Forestry Sector for 2024-2030 are evidence of this commitment. Nevertheless, the country's forests are much more degraded than expected and the forest sector reform is currently delayed. In conclusion, there is a medium probability that Georgia will achieve SDG 15 (terrestrial ecosystems, sustainably managed forests, land degradation and biodiversity). Regarding Georgia's progress in fostering access to affordable, reliable, sustainable and modern energy (SDG 7), the country is focused primarily on renewable energy with a view to increasing the share of wind and solar power plants in the Georgian energy system's installed capacity to 18.2% by 2030. As fossil gas from Azerbaijan is still very cheap due to a bilateral agreement on the transport of gas from Azerbaijan through Georgia to Turkey, GoG also continues to promote the use of fossil gas as an energy source and fosters the installation of gas infrastructure in rural areas. In conclusion, the evaluation revealed that there is a medium-to-high probability that Georgia will improve access to affordable, reliable, sustainable and modern energy (SDG 7). However, the number of EE stoves sold through the project fell short of expectations, thus limiting the reduction in household wood consumption. It was therefore not yet possible to confirm that the project would contribute to a reduction in non-sustainable logging of fuelwood and thus to reduced degradation and increased protection of forest ecosystems.

Analysis and assessment of impact

Impact – Dimension 1: Higher-level (intended) development changes/results

The analysis of the project's higher-level (intended) development results focused on the extent to which the following project-related higher-level changes were observed:

- fund-level impact M4.0: Reduced emissions from land use changes, reforestation and reduced deforestation, and through sustainable forest management and the conservation and enhancement of forest carbon stocks (SDG 13, combat climate change),
- SDG 15: Terrestrial ecosystems, sustainably managed forests, land degradation and biodiversity, and
- SDG 7: Access to affordable, reliable, sustainable and modern energy.

In its updated NDC, Georgia declared that, by 2030, it intends to increase its carbon capture capacity through the forestry sector by 10% compared to 2015 levels (GoG, 2021a). The Climate Change Strategy (2021) specifies that this objective will be achieved by restoring degraded forests, supporting SFM and developing a forest management system adapted to climate change challenges (GoG, 2021b). However, the evaluation team found that Georgia did not have an MRV system when the updated NDCs and Climate Change Strategy were published in 2021, which makes a reliable comparison with the 2015 reference year challenging (Int_7, 8 with GIZ). Since then, the Eco.Georgia project has developed an MRV system for the forestry sector and thus created a best practice for other sectors aiming to set up an MRV system (Int_7, 8 with GIZ). In addition, the recent national inventory showed that the level of degradation of Georgian forests was about 35% and therefore much higher than expected (Int_3 with GIZ; Int_6 with partner). Despite these challenges regarding the baseline, the evaluation revealed that the project has already clearly started to improve SFM and restore degraded forests (please see dimension 2). The evaluation therefore concluded that there is a medium-to-high probability that reduced forest degradation and enhanced timber stocks will contribute to a reduction in CO2 emissions (SDG 13). For the moment, however, it is impossible to predict the degree to which this will occur.

The assessment of Georgia's progress on SDG 15 (terrestrial ecosystems, sustainably managed forests, land degradation and biodiversity) is closely linked to the assessment of SDG 13 (see above). In summary, the evaluation demonstrated that GoG is strongly committed to strengthening forest protection and increasing SFM. The newly adopted Forest Code and the Roadmap of the Georgian Forestry Sector for 2024-2030 are evidence of this commitment (GoG, 2024b; WWF, no date, Int_3, 7 with GIZ; Int_6, 10 with partner). In addition, Georgia's protected areas cover 793,351 ha of land, which accounts for 11.38% of the country's territory (2020) (WWF, no date). Nevertheless, the last data available for the project areas shows that the forests are much more degraded than expected (see above). In addition, the forest sector reform is currently delayed (Int_3, 7 with GIZ; Int_6, 10 with partner). At country level, accurate data on forest quality and quantity is still lacking (Int_3, 7 with GIZ). In conclusion, there is a medium probability that SDG 15 will be achieved.

Regarding Georgia's progress in fostering access to affordable, reliable, sustainable and modern energy (SDG 7), the country is focused mainly on renewable energy with a view to increasing the share of wind and solar power plants in the Georgian energy system's installed capacity to 18.2% by 2030 (ESCAP, 2020). As fossil gas from Azerbaijan is still very cheap due to a bilateral agreement on the transport of gas from Azerbaijan through Georgia to Turkey, GoG also continues to promote the use of fossil gas as an energy source and fosters the installation of gas infrastructure in rural areas (Int_9, 10 with stakeholder). Regarding the fuel supply switch, the Climate Change Strategy includes the objective to introduce incentives for replacing non-EE stoves with EE stoves (GoG, 2021b). In conclusion, the evaluation revealed that there is a medium-to-high probability that Georgia will improve access to affordable, reliable, sustainable and modern energy (SDG 7). However, against the backdrop of the country's growing use of gas, the real impact of EE stoves remains uncertain.

Impact – Dimension 2: Contribution to higher-level (intended) development results/changes

The contribution of the project to higher-level (intended) development results or changes was assessed by selecting two results hypotheses from the project's ToC and describing how the project is contributing to these results or changes. As the project will continue to be implemented until at least September 2028, measurable impacts at SDG level resulting from the project activities are not yet expected. Therefore, the evaluation estimated the degree to which it is probable that the project will contribute to these higher-level development results or changes.

Selection of results hypotheses

The evaluation assessed the probability that selected project's contributions will achieve the following:

- SDG 13 (Take urgent action to combat climate change and its impacts), as this represents the project's key expected achievement. In addition, it includes the expected GCF paradigm shift objective to low-emission sustainable development pathways.
- SDG 15 (Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests), as this represents a key impact expected of the project in the forest sector.

Table 18: Impact – Assessment of results hypothesis 4

Results hypothesis 4 (project outcome – impact)	As a result of reduced forest degradation and enhanced timber stocks (k**ey result 1**), it is expected that forest carbon stocks will be directly enhanced, thereby reducing CO2 emissions (**impact M4.0, SDG 13, GCF paradigm shift objective**).
Main assumptions and necessary context factors	The political commitment of GoG to SFM is maintained.
Risks and unintended results	The opportunities for local people to benefit from SFM (especially those who were previously informally employed in the sector or who harvested illegal fuelwood) remain limited. No unintended positive or negative results were identified at the time of the evaluation mission.
Alternative explanation(s)	CO2 emissions are reduced through other mitigation approaches.
Assessment of hypothesis	rather confirmed

Regarding hypothesis 4, the reduced forest degradation and enhanced timber stocks to be achieved by Eco.Georgia (key result 1) are expected to result in direct enhancement of forest carbon stocks and, thus, a reduction in CO2 emissions (impact M4.0, SDG 13, GCF paradigm shift objective) (GIZ, 2021a). The forest degradation rate is measured through the respective variables of the national forest inventory by assessing the same sample plots in 2019-21 (first inventory), 2024 (four municipalities) and 2029-31 (eight municipalities via the second inventory) (GIZ, 2024e). Since new data for the national forest inventory will only be assessed in the 2024-2026 period, i.e. five years after the baseline, the forest degradation rate will not be established until after the assessment conducted in 2024-26 (GIZ, 2024e). Considering that accurate data to measure the forest degradation rate is not yet available, the achievement of key result 1 was estimated by assessing the progress of its associated milestones (though located at output level and therefore referring more to effectiveness) (GIZ, 2021a, 2024e). The evaluation stated that key result 1 has been achieved by about 70% (GIZ, 2021a, 2024e; Int_7, 8 with GIZ; Int_6, 10 with partner). As described under the assessment of hypothesis 1 (please see Chapter 4.4), there is a high probability that the management of forest areas will improve, thus leading to reduced forest degradation and enhanced timber stocks. In addition, the strong commitment of GoG to strengthen forest protection and increase SFM improves the chances of achieving reduced forest degradation and enhanced timber stocks (GoG, 2024b; Int_7, 8 with GIZ; Int_6, 10 with partner).

The conversion of reduced forest degradation and enhanced timber stocks into tCO2/ha per year will be performed by comparing wood volumes (standing living trees, standing/downed deadwood) between two points in time and calculating the corresponding carbon based on the newly developed emission factors (GIZ, 2021a, 2024e; Int_7, 8 with GIZ; Int_6, 10 with partner).

Considering, on one hand, the progress of the project's achievements to reduce forest degradation and enhance timber stocks and, on the other hand, the strong commitment of GoG to strengthen forest protection and increase SFM, the evaluation concluded that there is a medium-to-high probability that forest carbon stocks will be directly enhanced, thus reducing CO2 emissions. The evaluation also confirmed the key assumption that

GoG's political commitment to SFM will be maintained (GoG, 2024b; Int_7, 8 with GIZ; Int_6, 10 with partner). In light of the fact that project implementation is in the early stages, the risk that opportunities for local people to benefit from SFM will remain limited was not confirmed by the evaluation (Int_7 with GIZ; Int_6, 10 with partner).

In conclusion, the evaluation considered hypothesis 4 to be rather confirmed.

Table 19: Impact – Assessment of results hypothesis 5

Results hypothesis 5 (project outcome – impact)	As a result of the fuelwood supply switch to sustainable levels (**key result 2**), wood consumption in households is expected to reduce. As a consequence, it is expected that non-sustainable logging of fuelwood will reduce, thereby leading to reduced degradation and increased protection of forest ecosystems (**SDG 15**).
Main assumptions and necessary context factors	The EE-AF adoption rate will continue to grow.
Risks and unintended results	GoG may not close the social logging programme on time. No unintended positive or negative results at output or outcome level were identified at the time of the evaluation mission.
Alternative explanation(s)	Income increases from other sources, e.g. GoG encourages community members to reject illegally cut fuelwood.
Assessment of hypothesis	rather not confirmed

With regard to hypothesis 5, it is projected that the fuelwood supply switch to sustainable levels, expected to be achieved by ECO.Georgia (key result 2), will lead to a reduction in household wood consumption (GIZ, 2021a). As a consequence, it is expected that the non-sustainable logging of fuelwood will reduce, thus leading to reduced degradation and increased protection of forest ecosystems (SDG 15) (GIZ, 2021a). Given that the project will not assess residential fuelwood consumption until the end of the 2024-25 heating season, through the first residential energy use survey, no data on fuelwood consumption was available (Int_7 with GIZ). The evaluation team therefore based its assessment of the probability of achieving key result 2 on the corresponding indicators. As demonstrated under the assessment of KRI 2.1 (please see Chapter 4.4), the sustainable fuelwood supply from NFA has been achieved to a limited extent only, due primarily to Covid-19-related delays in the operationalisation of BSYs (GIZ, 2021a, 2021c, 2023b, 2024e; Int_2, 6, 8 with GIZ; Int_1, 2, 10, 11, 12 with partner). In addition, as stated for the assessment of POI M6.2 (please see Chapter 4.4), the number of EE stoves sold fell short of expectations, thereby limiting the reduction in household wood consumption (GIZ, 2021a, 2021c, 2023b, 2024e; Int_1, 2, 6, 8 with GIZ; Int_11, 12, 13, 15 with partner). It was therefore impossible to confirm that the non-sustainable logging of fuelwood, and the resulting reduction in degradation and increased protection of forest ecosystems, would reduce as a result of the project. The main assumption that the adoption rate for EE stoves and AFs will continue to grow was rather not confirmed for the moment. In addition, there was still a risk that GoG may not close the social logging programme on time (Int_1, 2, 7 with GIZ).

In conclusion, the evaluation team considered hypothesis 5 to be rather not confirmed at the moment of the mid-term review, but it may still evolve positively if additional efforts are made, for example by accelerating the operationalisation of BSYs, revising the subsidy scheme for EE stoves and strengthening the market for EE stoves.

Moreover, several interviewees mentioned relevant project results at impact level. The population and employees of forest-related institutions have developed new, more positive attitudes towards the environment (Int_10 with partner). The BSYs established in the project regions have already become best practices to be applied in other municipalities (Int_10 with partner). Some local entrepreneurs and small and medium-sized enterprises

(SMEs) that benefited from training had already increased their revenue (Int_5 with stakeholder). After the introduction of new forestry training courses, TVET colleges have doubled the number of forestry students (Int_9 with partner).

Photo 3: Training material for forestry training at Horizonti TVET college in Chokhatauri (Source/©: Josef Seitz, 2024)



Impact – Dimension 3: Contribution to higher-level (unintended) development results/changes

This dimension is not applicable to GCF mid-term reviews. The unintended effects are assessed under effectiveness only.

Methodology for assessing impact

Table 20: Evaluation matrix for OECD DAC criterion impact

Impact assessment dimensions	Basis of assessment	Evaluation design, empirical methods and data sources	Data quality and limitations
Higher-level (intended) development changes/results	Extent to which the following project-related higher-level changes were observed: • Fund-level impact M4.0: Reduced emissions from land use changes, reforestation and reduced deforestation, and through sustainable forest management and the conservation and enhancement of forest carbon stocks (SDG 13, combat climate change), • SDG 15: Terrestrial ecosystems, sustainably managed forests, land degradation and biodiversity, and • SDG 7: Access to affordable, reliable, sustainable and modern energy.	**Evaluation design:** The analysis followed the analytical questions in the evaluation matrix, including specific GCF evaluation questions (see Annex). The evaluation design included a joint narrative assessment of dimensions 1 and 2, which looked at future prospects. **Empirical methods and data sources:**	Data quality was moderate due to the limited availability of impact data in Georgia. The MRV system for the forest sector is under development, but data is not yet available. However, the monitoring system is of good quality and multiple management documents were available. In addition, project staff and key stakeholders were available. **Overall data quality for this assessment dimension:** moderate

Impact assessment dimensions	Basis of assessment	Evaluation design, empirical methods and data sources	Data quality and limitations
		• document analysis and secondary data analysis: GCF funding proposal (2021), GCF feasibility study (2020), BMZ project proposal (2019) and modification proposals (2021), SDC project documentation (2021), result matrices and logframes, progress reports (GCF, BMZ, SDC), WebMo, gender assessment (2019) and study (2024), environmental and social management plan (2021), • secondary data analysis: biannual update report (2019), NDC, etc., • semi-structured interviews with key stakeholders, in particular target groups, and • triangulation with opinions of key stakeholders (see Table 4).	
Contribution to higher-level (intended) development results/changes	Selected results hypotheses from the project's ToC: • Hypothesis 4: As a result of reduced forest degradation and enhanced timber stocks (**key result 1**), forest carbon stocks will be enhanced and CO2-emissions reduced (**impact M4.0, SDG 13, GCF paradigm shift objective**). • Hypothesis 5: As a result of fuelwood supply switch to sustainable level (**key result 2**), wood consumption in households and non-sustainable logging of fuelwood will reduce, thus leading to reduced degradation and increased protection of forest ecosystems (**SDG 15**). Hypotheses were assessed from outcome to impact level.	**Evaluation design:** Contribution analysis: a narrative contribution story describes how the project outcomes have contributed to achieve the higher-level development results. An alternative scenario describes what would have happened if the project had not been set up. **Empirical methods and data sources:** • document analysis and secondary data analysis: GCF funding proposal (2021), GCF feasibility study (2020), BMZ project proposal (2019) and modification proposals (2021), SDC project documentation (2021), result matrices and logframes, progress reports (GCF, BMZ, SDC), WebMo, gender assessment (2019) and study (2024), environmental and social management plan (2021), • estimation of CO2 reduction based on the calculation provided in the GCF proposal, • semi-structured interviews with key stakeholders, in particular target groups, and • triangulation with opinions of key stakeholders (see Table 4).	Data quality was moderate due to the as-yet limited availability of data on the project's impacts. However, the monitoring system is of good quality and multiple management documents were available. In addition, project staff and key stakeholders were available. **Overall data quality for this assessment dimension:** moderate
Contribution to higher-level (unintended) development results/changes	This dimension is not applicable to GCF mid-term reviews. Unintended effects are assessed under effectiveness only.		

4.6 Efficiency

This section analyses and assesses the efficiency of the project. It is structured according to the assessment dimensions specified by the BMZ (see Annex).

Summarising assessment and rating of efficiency

Table 21. Rating of OECD DAC criterion efficiency

Criterion	Assessment dimension	Score and rating
Efficiency	Production efficiency (resources/outputs)	56 out of 70 points
	Allocation efficiency (resources/outcome)	27 out of 30 points
Efficiency score and rating		Score: **83 out of 100 points** Rating: **Level 2: successful**

The project is marked by the involvement of a large number of experts, which is understandable considering the programmatic setup and complexity of the project. In addition, most staff members have worked as implementing technical experts in the field. However, the personnel costs incurred to date amount to a total of 63% of the project budget spent, which is considered to be relatively high, especially in view of the fact that the indicators have not been fully achieved. Financing instruments have accounted for about 28% of the project budget spent and have been processed mainly through partner organisations, which is consistent with the project's focus on advisory services and capacity development. The project is currently slightly delayed in areas such as the implementation of financing instruments. The assessment of costs per output revealed that the distribution of resources to components is reasonable and comprehensible. The share of overarching costs for general tasks is very low at 4%. The project has also successfully produced the majority of its outputs on time and within the planned timeframe, despite some challenges.

The implementation strategy to use financing instruments is very efficient, as it makes it possible to reduce the cost of employing long- and short-term experts and create additional ownership within the partner institutions. The project successfully leveraged significant funds through partner contributions from GoG, NFA, the financial sector, EE-AF suppliers, private sector forest contractors and households, thus significantly increasing the project's efficiency. However, the partner contributions were not clearly assignable to specific outputs and therefore not included in the Efficiency Tool. In addition, the project combines funds from three donor organisations, which has created strong synergies and increased the project's efficiency.

In total, the efficiency of the project is rated successful (level 2), with 83 out of 100 points.

Analysis and assessment of efficiency

Efficiency – Dimension 1: Production efficiency

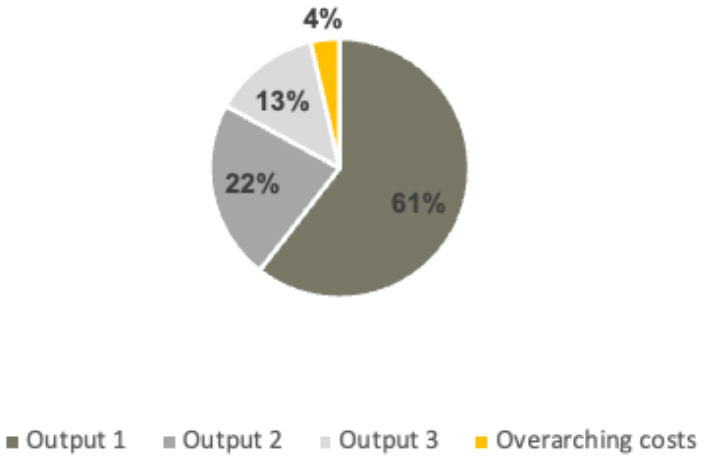
Assessment of the project's production efficiency was based mainly on project documents, progress reports and the project's financial report by applying the 'follow-the-money' approach and the Efficiency Tool developed by GIZ. As the result structures and wording of the three donor organisations differ, it was adapted to the requirements of the Efficiency Tool. As specified in the financial report, the three components were used as outputs (GIZ, 2024g, 2024l; Int_5 with GIZ). Selected key indicators were allocated to the three components to make them measurable.

The project's mix of instruments is marked by a high number of experts, including seven international and 26 national staff, GIZ office personnel and short-term experts (GIZ, 2021a, 2024g, 2024l, 2024n; Int_5 with GIZ). Considering the programmatic setup and the complexity of the project, which includes interventions at central and district level and covers a wide variety of topics, the use of a high number of staff is understandable. In addition, most staff worked in component 1, including as implementing technical experts in the field (GIZ, 2024l, 2024n). However, the personnel costs incurred to date have amounted to 63% of the project budget spent, which is considered to be relatively high, especially in view of the fact that the indicators have not been fully achieved (GIZ, 2024l, 2024n). Financing instruments have accounted for about 28% of the project budget spent and have been processed mainly through partner organisations, which is consistent with the project's focus on advisory services and capacity development (GIZ, 2021a, 2024l).

The question of the extent to which the identified costs deviated from the projected costs was assessed based on the financial report. The evaluation revealed that the financial report did not mention significant deviations from the originally projected costs (GIZ, 2021a, 2024g, 2024l, 2024m, 2024n). Nevertheless, the report shows that 43% of the budget for staff and experts has already been spent, while only 16% of the budget for financial instruments has been utilised so far (GIZ, 2021a, 2024g, 2024l, 2024m, 2024n). The evaluation therefore concluded that the implementation of the financing instruments is currently delayed, especially in components 1 and 2.

The evaluation then focused on the extent to which the outputs (activities) could have been maximised with the same number of resources, under the same general conditions and with the same or better quality (maximum principle). To answer this question, the evaluation assessed the costs per output resulting from the application of the GIZ Efficiency Tool (Figure 3).

Figure 3: Efficiency Tool: Costs per component (output)



These figures show that the vast majority of the total budget (61%) has been spent on implementing the activities under component 1 (SFM) (GIZ, 2021a, 2024g, 2024m). This reflects the nature of the activities undertaken to achieve the results foreseen in component 1, which mostly involve advisory services and financing instruments (GIZ, 2021a, 2024g, 2024m). A total of 22% of the project budget has been used to implement the activities under component 2 (market development for EE and AFs), while 13% of the budget has been used for component 3 (livelihood opportunities and local self-governance in forest management) (GIZ, 2021a, 2021b, 2024g, 2024m). These figures seem quite realistic, since the financing instruments planned under component 2 have been used to a limited extent only and component 3 includes less cost-intensive capacity development measures (GIZ, 2021a, 2021b, 2024g, 2024m). In conclusion, the distribution of resources to components seems reasonable and comprehensible. The share of overarching costs for general tasks, such as administrative services, backstopping, coordination and other project tasks, was 4% (GIZ, 2021a, 2021b, 2024g, 2024m).

In view of the project's programmatic structure and complex donor structure and when compared to other technical cooperation projects, these costs were assessed as very low.

In addition, the evaluation assessed the extent to which the project results could have been increased through the alternative use of inputs. The evaluation found that one outcome indicator and two selected KRIs will probably be fully achieved or even overachieved by the mid-term stage of the project (please see Chapter 4.4). These results indicate that the inputs available were used fairly efficiently. Nevertheless, one outcome indicator and one KRI will probably not or only to a limited degree be achieved by the mid-term stage of the project (please see Chapter 4.4). The evaluation found that the delays and limitations in achieving the objectives were due mainly to external factors and that a change in the allocation of funds would have had little impact on this (Int_1, 4 with donor; Int_2, 3 with GIZ; Int_5, 6 with partner).

Figure 4: Efficiency Tool: costs and achievements per component (output)

	Output 1	Output 2	Output 3	
Outputs	Sustainable forest management (SFM)	Market development for energy efficiency and alternative fuels	Livelihood opportunities and local self-governance in forest management	**Overarching costs**
Actual sum of individual costs	€7 696 025,36	€2 850 532,68	€1 704 514,96	€456 349,05
Partner inputs	not assigned	not assigned	not assigned	not assigned
Sum of individual costs and partner inputs	**€7 696 025,36**	**€2 850 532,68**	**€1 704 514,96**	**€456 349,05**
Sum in %	**60,56%**	**22,43%**	**13,41%**	**3,59%**
Additional residual costs	€19 286 760,64	€9 891 298,73	€1 830 709,04	€577 248,24
Output indicators	Indicator 2.1: Cubic metres (m3) of fuelwood sustainably harvested by NFA in the 8 districts	Indicator 3.2: Volume of investment (EUR) in EE-AF production sector, disaggregated by sources and instruments (loans, equity, grants)	Indicator 5.1: 4 municipalities in all three target regions are ready to fully institutionalise the municipal forest management (MFM) toolbox	
Achievement	10%	53%	75%	
Output indicators	Indicator 4.1: Provisions of Forest Code mainstreamed into secondary regulations and applied in practice	0	Indicator 5.7: 2 Joint SFM initiatives per municipality suggested by the CSOs and municipal authorities	
Achievement	120%	#DIV/0!	319%	
Output indicators	0	0	Indicator 5.9: 32 established new or improved business models of local entrepreneurs and SMEs based on forest-related value chains in NTFPs, ecotourism and wood products)	
Achievement	#DIV/0!	#DIV/0!	100%	
Output indicators	0	0	Indicator 5.11: 6 contributions towards a more inclusive or more labour market-relevant Vocational Education and Training (VET) system	
Achievement	#DIV/0!	#DIV/0!	100%	

Finally, the evaluation demonstrated that the project has successfully produced the majority of its outputs on time and within the planned timeframe, despite some significant challenges due to the travel restrictions imposed as a result of the Covid-19 pandemic (Int_2 with GIZ; Int_10 with partner). Moreover, one key stakeholder expressed satisfaction with the project's use of resources (Int_4 with donor).

Efficiency dimension 1 – Production efficiency – scores **56 out of 70 points**.

Efficiency – Dimension 2: Allocation efficiency

The assessment of the project's production efficiency was based mainly on project documents, progress reports and the project's financial report by applying the 'follow-the-money' approach and using the Efficiency Tool developed by GIZ (see Figure 5).

First, the evaluation assessed the extent to which the project results could have been achieved more cost effectively had it been designed in a different way. Alternative designs include implementation without the use of financing instruments or by subcontracting consulting companies to implement some parts of the project. Here, the evaluation team found that the implementation strategy of using financing instruments was very efficient, as it made it possible to reduce the cost of employing long- and short-term experts and create additional ownership within partner institutions (GIZ, 2021a, 2024g, 2024l, 2024m, 2024n). Regarding the alternative strategy of using consulting companies, the evaluation team considered that the project's wide range of topics, complex partner structure and holistic setup has entailed highly challenging project management needs, which means that the GIZ-led strategy was a much better choice (GIZ, 2021a, 2024e, 2024g, 2024l, 2024m, 2024n). The evaluation therefore concluded that the GIZ-based implementation strategy was preferable to a consultancy-based one.

Figure 5: Cockpit Efficiency Tool: Overall costs and module indicator achievements (without selected key result indicators)

Module objective	•M6.0: Increased number of small, medium and large low-emission power suppliers; •M9.0: Improved management of land or forest areas contributing to emissions reductions.
Actual sum of individual costs	€12 707 422,05
Partner inputs	Partner contributions (EUR 128,556,871) are not clearly assignable and therefore not included in the tool.
Sum of individual costs and partner inputs	**€12 707 422,05**
Additional residual costs	€31 586 016,65

Module objective indicators	Indicator M6.2 Number of households and individuals (males and females) with improved access to low-emission energy sources	Indicator M9.1 Hectares of land or forests under improved and effective management that contributes to CO2 emission reductions	0
Achievement	4%	100%	#DIV/0!

Second, the evaluation assessed the extent to which the project outcome could have been maximised with the same number of resources, while maintaining the same or better quality (maximum principle). The evaluation found that the two outcome indicators and three selected KRIs have so far been achieved with a mean value of 66% against mid-term targets (see Section 4.4). Considering the challenges for project implementation, especially the Covid-19 pandemic, it is understandable that some results are delayed (GIZ, 2021a, 2024l, 2024m, 2024n; Int_2 with GIZ; Int_10 with partner).

The project was particularly successful in leveraging significant funds through partner contributions, which came to a total of EUR 128,556,871, from GoG, NFA, the financial sector, EE-AF suppliers, private sector forest contractors and households (GIZ, 2021a, 2024g; Int_1, 5 with GIZ; Int_2, 5, 10, 12 with partner). Since GCF cannot provide funds for the private sector, the contributions from GoG made it possible to involve private companies directly in project implementation, thereby mobilising additional funds from the private sector (GIZ, 2021a, 2024g; Int_1, 5 with GIZ; Int_2, 5, 10, 12 with partner). Three financial audits were also carried out as part of the project, including partner contributions, which did not result in any complaints (Int_5 with GIZ). The partner contributions significantly increased the project's efficiency. Although the evaluation did not assess the partners' contributions, it did, however, witness contributions being allocated as foreseen several times during the evaluation mission; for example, staff members were hired and equipment was purchased for BSY operations (Int_2, 10, 12 with partner). The partner contributions were, however, not clearly assignable to specific outputs and therefore not included in the Efficiency Tool.

In addition, the project combines funds from three donor organisations, which also helped increase the project's efficiency. Interviewees clearly expressed their satisfaction regarding the capacity of the project management team to combine these funds (GIZ, 2024g; Int_4, 11 with partner).

Efficiency dimension 2 – Allocation efficiency – **scores 27 out of 30 points**.

Methodology for assessing efficiency

Table 22: Evaluation matrix for OECD DAC criterion efficiency

Efficiency: assessment dimensions	Basis of assessment	Evaluation design, empirical methods and data sources	Data quality and Limitations
Production efficiency (Input/outputs)	Extent to which the intervention delivered results in an economic and timely way (relationship between input and output). Aspects: • costs per output, • type of costs, • partner contributions, • deviations between planned and actual costs, • regular reflection by the project on resources used, • overarching costs, • alternative options for allocating resources, and • shifts between outputs for output maximisation.	**Evaluation design:** Follow-the-money approach, use of the Efficiency Tool. **Empirical methods and data sources:** • document analysis and secondary data analysis: GCF funding proposal (2021), GCF feasibility study (2020), BMZ project proposal (2019) and modification proposals (2021), SDC project documentation (2021), result matrices and logframes, progress reports (GCF, BMZ, SDC), WebMo, • document analysis: quantitative cost-output data using GIZ Efficiency Tool, project cost-commitment report 2024, • semi-structured interviews with key stakeholders, in particular target groups, and • triangulation with opinions of key stakeholders (see Table 4).	Data quality was good due to the high quality of the monitoring system and the multitude of management documents available. In addition, project staff and key stakeholders were available. The project's cost-commitment report was also available. **Overall data quality for this assessment dimension:** good

Efficiency: assessment dimensions	Basis of assessment	Evaluation design, empirical methods and data sources	Data quality and Limitations
Allocation efficiency (Input/outcome)	Extent to which alternative strategies might have been more effective in achieving the project objectives. Aspects: • approaches, activities and technical cooperation instruments in comparison to alternatives, • partner contributions, • regular reflection by the project on input-outcome relationship, and • use of cofinancing for output maximisation.	**Evaluation design:** The analysis followed the specific GCF evaluation question (see Annex). **Empirical methods and data sources:** • document analysis and secondary data analysis: GCF funding proposal (2021), GCF feasibility study (2020), BMZ project proposal (2019) and modification proposals (2021), SDC project documentation (2021), result matrices and logframes, progress reports (GCF, BMZ, SDC), WebMo, • document analysis: quantitative cost-output data using GIZ Efficiency Tool, project cost-commitment report 2024, • semi-structured interviews with key stakeholders, in particular target groups, and • triangulation with opinions of key stakeholders (see Table 4).	For this GCF mid-term review, the assessment was limited due to the timing of the evaluation. Data quality was good due to the high quality of the monitoring system and the multitude of management documents available. In addition, project staff and key stakeholders were available. The project's cost-commitment report was also available. **Overall data quality for this assessment dimension:** good

4.7 Sustainability

This section analyses and assesses the sustainability of the project. It is structured according to the assessment dimensions specified by the BMZ (see Annex).

Summarising assessment and rating of sustainability

Table 23. Rating of OECD DAC criterion sustainability

Criterion	Assessment dimension	Score and rating
Sustainability	Capacities of the beneficiaries and stakeholders	-
	Contribution to supporting sustainable capacities	-
	Durability of results over time	-
Sustainability score and rating		Score: **-** Rating: Not rated, in accordance with TOR

The ECO.Georgia project, while still at the mid-term stage, has demonstrated significant progress towards achieving sustainable forestry outcomes in Georgia. It focuses on capacity building through training programmes, legal frameworks and SFM practices. Key accomplishments include the development of forestry education programmes at TVET colleges and universities, vocational training initiatives and the establishment of BSYs as models for sustainable operations, as well as the institutionalisation of ESS and the establishment of a sector feedback mechanism within NFA. The evaluation indicated that these efforts have substantially strengthened the capacities of key beneficiaries and partners. However, sustainability at municipal level remains uncertain, as municipalities currently lack forest ownership, with no plans for resource transfer in the next five to eight years.

ECO.Georgia is innovative in addressing climate change adaptation and mitigation with a holistic approach. By promoting EE stoves, SFM and alternative forest resources, the project is reducing forest resource demand, lowering GHG emissions and generating additional revenue for NFA, thereby enabling further capacity improvements. BSYs, viewed by GoG as foundational models, will become a key source of firewood when social logging is banned in 2026. These structures and their designs are seen as standards for future BSY development and will receive state budget support. Notably, the BSY structures and designs developed as part of the project have been recognised by GoG, particularly MEPA and NFA, as foundational models for future development. These models are viewed as standards for design, structure and equipment requirements, with future BSY development to be supported through state budget allocations. Similarly, NFA has identified the European-standard forest road construction model implemented under the project as a benchmark for future forest road development in Georgia. The agency is now working to amend public procurement regulations to institutionalise this standard in future projects. A significant innovation includes the integration of ESHS MS into BSYs, as well as into the construction and rehabilitation of forest roads. To achieve this, the application of best international standards, particularly for forest roads, has been incorporated as part of the mitigation measures. Additionally, the establishment of a complaints and feedback mechanism for the forest sector represents another key innovation in SFM.

Nonetheless, challenges persist. The severe extent of forest degradation revealed by the national forest inventory has shifted priorities from timber revenue generation to ecological and social benefits, thus challenging the project's initial assumption that timber sales could fund SFM activities. The scarcity of commercially valuable timber makes it impossible to achieve financial independence for NFA through timber extraction. Instead, the government plans to subsidise the forestry sector for the next decade, thus ensuring sustainability while maintaining ecosystem services and disaster prevention.

ECO.Georgia is well positioned to address these challenges. Capacity development for NFA and DES targets key priorities, including the implementation of SFM plans, sustainable fuelwood provision and enhanced forest supervision. By strengthening the capabilities of relevant services and securing long-term state budget support, the project has laid solid foundations for achieving its goals and ensuring the sustainability of its outcomes.

Analysis and assessment of sustainability

Sustainability – Dimension 1: Capacities of the beneficiaries and stakeholders

Considering the project’s implementation status at the mid-term stage, it is too early to determine whether stakeholders and beneficiaries have adequate human, financial and institutional resources to sustain the potential results after ECO.Georgia ends. Therefore, the mid-term evaluation placed little emphasis on dimension 1 and instead focused more on dimension 2, thereby offering a forward-looking evaluation. However, the capacities of stakeholders are briefly outlined under dimension 2.

Sustainability – Dimension 2: Contribution to supporting sustainable capacities

This dimension evaluates how effectively the project has enhanced the capacities of relevant stakeholders and the extent to which it is expected to strengthen their resilience to ensure the sustainability of intended positive outcomes.

According to interviewees and project documents, capacity development among forest sector actors is a cross-cutting objective of ECO.Georgia (Int_1, 2, 3, 4 with donor; Int_2, 3, 4 with GIZ). It has a high level of ownership among all partners (see the section on coherence), and thus shows promising prospects for sustainable capacities. In the area of forest governance, the project concentrates on reinforcing the legal foundation by supporting the development of a legal framework for SFM. Capacity development for NFA is planned to support the development and implementation of SFM plans, ensure the provision of sustainably produced fuelwood and

enhance MRV processes, among other priorities. In addition, capacity development for DES is planned to strengthen forest supervision, among other key areas. Key priorities for ECO.Georgia include vocational training for the forest sector at both college and higher education levels, thereby creating livelihood opportunities through the sustainable use of forest resources and fostering local self-governance in forest management (GIZ 2019). Interviews with stakeholders and experts revealed that the aforementioned priorities outlined by the project have significantly contributed to enhancing the capacities of key beneficiaries and partners (Int_1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 with partner; Int_3, 5, 6, 7, 8, 9 with stakeholder). In addition, the findings from discussions indicated a high degree of stakeholder ownership and capacity building among partners. Support for increasing technical capacities in the fields of procurement, operation of new physical assets and management, maintenance and communication is expected to produce long-term benefits.

However, several interviewees highlighted that understaffing and high employee turnover for daily operations are factors hindering the development of sustainable capacities in the forest sector and the target municipalities (Int_3 with GIZ; Int_5, 10, 13, 15 with partner; Int_9, 10 with stakeholder). These personnel issues were particularly evident during project implementation.

Interviewees from other partners also reported that ECO.Georgia training sessions have enhanced their capacities (Int_1, 4, 7, 15 with partners). However, several interviewees highlighted the risk of brain drain due to staffing fluctuations and identified areas for improvement, particularly in the mentorship of younger professionals (Int_7, 15 with partner). Some personnel issues were already evident during project implementation. For example, the lack of municipal forest ownership and management has limited the ability of newly trained personnel to put their GIS skills to practical use (Int_7 with partner). During the interview, it was also noted that municipalities lack access to expensive GIS software, despite having been trained to use it. Additionally, it was mentioned that the training provided was general in nature, which left the municipalities unable to acquire practical skills, as they do not actively use the software (Int_7, 15 with partner). At the same time, according to the information provided by PIU representatives, training on open-source QGIS (a free software package similar to ArcGIS) was initially offered. However, the municipalities declined this and requested training in ArcGIS, which requires licence fees, stating that they were already using that software (Int_3 with GIZ).

Finally, the project is expected to make a considerable contribution towards the sustainable capacities of both GoG and NFA. The interviews revealed that the implementation of ECO.Georgia has contributed to the establishment of BSYs in Georgia. To date, more than 50 BSYs have been built in various municipalities across the country. However, only in ECO.Georgia target municipalities have these yards been fully staffed (in accordance with ESS performance standards and the project's ESHS MS) with the necessary personnel and equipment through project cofinancing, which means they are the only yards operating at full capacity. During the interviews, it was highlighted that the BSY structure developed and established within the project framework is regarded by representatives of GoG, particularly MEPA and NFA, as a foundational model. This model encompasses the structure, design and equipment required, and will serve as a standard for the future development of BSYs. Additionally, this model is expected to be replicated in all remaining municipalities in Georgia, for which MEPA plans to secure appropriate funding from the state budget (Int_3 with GIZ; Int_6, 10, 13 with partner). NFA also views the European standard forest road construction model used within the project as a benchmark for future forest road construction in Georgia. To this end, NFA has initiated amendments to the relevant public procurement regulations in a bid to approve a forest road standard that will guide future public procurement processes in the country (Int_6, 10, 14 with partner). Additionally, NFA has approved four key documents outlined in the Environmental and Social Management Plan (ESMP): the Occupational Health and Safety Policy, the Emergency Response Plan, the Waste Management Plan and the Construction Contractor Requirements Procedure. These documents will, in turn, support the implementation of SFM principles in Georgia (Int_3 with GIZ).

Sustainability is also reflected in the BSY development model. With social logging set to be banned in Georgia from 2026, BSYs will become a crucial source of firewood for the population (Int_3 with GIZ). The findings of the national inventory, which highlighted the severe degradation of Georgia's forests, have reinforced GoG's view of the forest sector as a vital social and ecological asset (Int_3 with GIZ; Int_6, 10, 13 with partner). This sector is expected to provide essential ecosystem services to the population and offer protection from natural disasters. Consequently, the government plans to subsidise the sector from its budget for the next 10 years, thereby ensuring state support and sustainability for the project during this period.

The technical and financial support provided by ECO.Georgia to EE stove producers will ensure the stability of EE stove production given current demand. Interviews indicated that stove producers have significant potential to ramp up production if demand increases (Int_12 with partner; Int_1, 6, 7, 9 with stakeholder). At this stage, the potential of producers is being harnessed only to a minimal extent.

The interviews revealed substantial advancements in the development of sustainable forestry education programmes at both college and university levels. The interviews with TVET colleges and other representatives of the education sector underscored a critical need: to develop a multi-level training programme specifically tailored to forestry sector personnel (Int_3, 4, 10, 13 with partner). This imperative stems directly from the new Forest Code, which mandates that forestry professionals possess appropriate education and training. This significantly increases the demand for specialised forestry education. With the support of ECO.Georgia, different types of curricula for a multi-level training programme were developed for TVET colleges (Int_3, 4, 10, 13 with partner). TVET colleges, in collaboration with the Skills Development Agency and with state support, have initiated retraining for forestry personnel. Additionally, the project is retraining TVET teachers in low-impact logging and skidding, based on a ‘train-the-trainer’ approach. To ensure long-term accessibility, the theoretical components of the training and short-cycle courses taught at TVET colleges have also been uploaded to a knowledge management and training platform (Int_3 with GIZ, Int_8 with partner, Int_9 with partner). The programme aims to retrain 240 individuals by the summer of 2025 (Int_4, 10 with partner) and TVET colleges have started accepting applicants this year.

The interviews underscored the critical need for public education and awareness campaigns (FGD_1, 2, 3 with beneficiaries; Int_1, 3, 4, 6, 7, 10 with partner; Int_2, 4, 5, 8, 9 with stakeholder). This need was evident across all levels, from central authorities and target municipalities to individuals reliant on forest products. The EIEC and partner NGOs have undertaken significant efforts in this regard. Furthermore, municipalities and stakeholders involved in the production and use of EE stoves emphasised the crucial role of targeted marketing campaigns to promote their adoption (Int_1, 2, 8, 11, 12, 13 with partner). These campaigns would play a vital role in promoting the benefits of EE stoves and encouraging wider public acceptance.

Overall, ongoing capacity development is expected to provide a solid foundation for sustainable development.

Sustainability – Dimension 3: Durability of results over time

This dimension assesses the extent to which the project's expected achievements are likely to be sustained. It focuses on risks and enabling factors specific to the local context in which the intervention operates and ownership by partners and stakeholders.

The exit strategy of ECO.Georgia sets out the following enabling factors that will influence the durability of its intended results: institutional structures, behavioural change, financial sustainability within the forest sector and cross-cutting measures (GIZ, 2019; Int_3 with GIZ). Overall, most interviewees expected the potential results to be durable in many cases; however, they also pointed to some challenges (Int_1, 6, 7, 11, 10, 13, 15 with partner).

MEPA is also anticipated to sustain the project's efforts to reduce pressure on the forest sector in the long term (Int_6 with partner). SFM, enhanced forest supervision and monitoring are expected to prevent the overexploitation of resources. Measures to ensure the financial sustainability of NFA (discussed under sustainability dimension 2) are expected to yield further results (Int_5, 6, 10, 14 with partner). Nonetheless, some interviewees acknowledged that the sustainable operation of MEPA and NFA would initially depend on the extent of government subsidies until the unit starts generating revenue (Int_3 with donor; Int_3 with GIZ; Int_6, 10 with partner). A strong sense of ownership and the allocation of dedicated funding in the budget indicate that financial sustainability is not currently at risk (Int_6, 10 with partner).

By promoting EE stoves, SFM and alternative forest resources, ECO.Georgia is driving a paradigm shift towards reduced forest resource demand and lower GHG emissions in Georgia. This is creating sustainable incentives, generating additional revenue for NFA and enabling further capacity upgrades. All interviewees agreed that the use of EE stoves, the development of a BSY system and the implementation of SFM practices will significantly reduce pressure on Georgia's forestry sector (FGD_1 with beneficiaries; Int_1, 3, 4, 6, 7, 8, 9, 10, 15 with partner; Int_2, 3, 5, 8, 9, 10 with stakeholder). Furthermore, there is strong support for strengthening forestry education at both college and higher education level (Int_1, 3, 4, 6, 8, 9, 10 with partner). This emphasis on education is crucial to achieving the project goals.

A key finding, underscored by the consensus among nearly all stakeholders interviewed, is the significant influence of the recent national forest inventory data on the results of the ECO.Georgia project. The inventory revealed that 35% of Georgia's forests are degraded, thereby severely limiting the extraction of commercially valuable timber. This finding directly challenges the project's initial assumption that sufficient revenue could be generated from timber extraction to fund SFM activities. The findings of the national inventory have reinforced GoG's view of the forest sector as a vital social and ecological asset (Int_3 with GIZ, Int_6, 10, 13 with partner). To that end, GoG currently considers forests not as a source of commercial profit, but as a social and ecological resource. Consequently, the government plans to subsidise the sector from its budget for the next 10 years, thus ensuring state support and sustainability for the project during this period (Int_6, 10, 13 with partner).

The interviews revealed substantial progress in the development of sustainable forestry education programmes at both college and university level. With the support of ECO.Georgia, different types of curricula were developed for TVET colleges (Int_3, 4, 10, 13 with partner). A multi-level training programme for forestry sector personnel has been created, which is being implemented in TVET colleges and supported by the state (Int_4, 8, 9, 10 with partner). The new Forest Code mandates that personnel currently working or planning to work in the relevant field in the future must obtain this qualification or undergo retraining. State support for educational programmes in this area will help ensure the long-term sustainability of these results.

In summary, it is plausible that ECO.Georgia will produce durable results. However, some threats to sustainability were observed at the mid-term stage.

Photo 4: Electric hydraulic log splitter at the Business Service Yard in Ozurgeti (Guria region) (Source/©: Josef Seitz, 2024)



Methodology for assessing sustainability

Table 24: Evaluation matrix for OECD DAC criterion sustainability

Efficiency: assessment dimensions	Basis for assessment	Evaluation design, empirical methods and data sources	Data quality and Limitations
Capacities of the beneficiaries and stakeholders	Extent to which beneficiaries and stakeholders (individuals, groups and organisations, partners and executing agencies) have the institutional, human and financial resources, as well as the willingness (ownership), required to sustain the positive results of the intervention over time.	**Evaluation design:** No specific evaluation design was applied. The analysis followed the analytical questions in the evaluation matrix, including specific GCF evaluation questions. **Empirical methods and data** • document analysis (materials produced on learning and best practices, capacity development strategy, progress reports), • semi-structured interviews with experts in government minis-tries/agencies, • semi-structured interviews with project management, key partner ministries and indirect target groups such as contractors and stove producers, • semi-structured interviews with municipality representatives and implementing partners, • semi-structured interviews with community representatives, and • triangulation of data.	Data quality was good due to the multitude of stakeholders available. The monitoring system is of good quality and multiple management documents were available **Overall data quality for this assessment dimension:** good
Contribution to supporting sustainable capacities	Extent to which the project has contributed to beneficiaries' and stakeholders' capacity, resources, ownership and resilience to sustain the results achieved over time.	**Evaluation design:**	Quality and reliability of project documents was considered sufficient.

Efficiency: assessment dimensions	Basis for assessment	Evaluation design, empirical methods and data sources	Data quality and Limitations
	• project documents on learning experiences and good practices, • lessons learnt in the project report, and • extent to which the training resulted in changes within the project target groups (behavioural change).	No specific evaluation design was applied. The analysis followed the analytical questions in the evaluation matrix, including specific GCF evaluation questions (see Annex). **Empirical methods and data** • document analysis (materials produced on learning and best practices, capacity development strategy, progress reports), • semi-structured interviews with experts in government ministries/agencies, • semi-structured interviews with project management, key partner ministries and indirect target groups such as contractors and stove producers, • semi-structured interviews with municipality representatives and implementing partners, • semi-structured interviews with community representatives, and • triangulation of data.	Collection of additional information from stakeholders in the three project intervention regions, including municipalities, was possible. Qualitative data was good due to the number and diversity of interviews with key informants. **Overall data quality for this assessment dimension:** strong
Durability of results over time	The extent to which the project's expected achievements are likely to be sustained, in light of risks and enabling factors specific to the local context and through ownership by local partners.	**Evaluation design:** The analysis followed the analytical questions in the evaluation matrix, including GCF-specific questions (see Annex). A participatory approach was adopted with relevant stakeholders. **Empirical methods and data sources:** • document analysis (materials produced on learning and best practices, capacity development strategy, progress reports), • analysis of social media and online platforms of mainstream media, • semi-structured interviews with experts in government ministries/agencies, • semi-structured interviews with project management, key partner ministries and indirect target groups such as contractors and stove producers, • semi-structured interviews with municipality representatives and implementing partners, • semi-structured interviews with community representatives, and • triangulation of data.	Quality and reliability of project documents were considered sufficient. Collection of additional information from stakeholders in the three project intervention regions, including municipalities, was possible. Qualitative data was good due to the number and diversity of interviews with key informants. **Overall data quality for this assessment dimension:** strong

4.8 Key results and overall rating

With an overall score of 87 out of 100 points, the ECO.Georgia project received an overall rating of level 2 (successful). The evaluation team found the project to be highly relevant and coherent. It was also successful in achieving its results and in terms of its efficiency. The project must make additional efforts to achieve the expected impact and ensure the sustainability of its results by the end of the project term.

The main reasons for the project's success lie in the strong political and financial commitment of the Georgian partners and the holistic approach of the project, including all relevant stakeholder groups (central government,

agencies, municipalities, NGOs and the private sector). The combined financing from three donor organisations (GCF, BMZ, SDC) and GoG has created very strong synergies and laid the foundations to generate a significant impact on the forest sector in Georgia. The project has also faced challenges, especially regarding development of the market for EE stoves, including lower-than-expect consumer interest and increased metal prices due to the Russian war in Ukraine. The recently adopted Law on Transparency of Foreign Influence and increased Russian influence could also lead GoG to distance itself from the European principles of democracy, which could weaken the project implementation structures and the interests of international donors in continuing their support.

Photo 5: Project and government financed trucks at the Business Service Yard in Ozurgeti (Guria region) (Source/©: Josef Seitz, 2024)



Table 25: Overall rating of OECD DAC criteria and assessment dimensions

Evaluation criteria	Dimension	Max	Score	Total (max.100)	Rating
Relevance	Alignment with policies and priorities	30	30	**91**	Level 2: successful
	Alignment with the needs and capacities of the beneficiaries and stakeholders	30	27		
	Appropriateness of the design*	20	16		
	Adaptability – response to change	20	18		
Coherence	Internal Coherence	-	-	**90**	Level 2: successful
	External Coherence	100	90		
Effectiveness	Achievement of the (intended) objectives	30	20	**85**	Level 2: successful
	Contribution to achievement of objectives	30	25		
	Quality of implementation	20	20		
	Unintended results	20	20		
Impact	Higher-level (intended) development changes/results	-	-	**-**	Not rated, in accordance with TOR
	Contribution to higher-level (intended) development results/changes	-	-		
	Contribution to higher-level (unintended) development results/changes	-	-		
Efficiency	Production efficiency	70	56	**83**	Level 2: successful
	Allocation efficiency	30	27		
Sustainability	Capacities of the beneficiaries and stakeholders	-	-	**-**	Not rated, in accordance with TOR
	Contribution to supporting sustainable capacities	-	-		
	Durability of results over time	-	-		
Mean score and overall rating		100	**87**		**Level 2: successful ***

Table 26: Rating and score scales

100-point scale (score)	6-level scale (rating)
92–100	Level 1: highly successful
81–91	Level 2: successful
67–80	Level 3: moderately successful
50–66	Level 4: moderately unsuccessful
30–49	Level 5: unsuccessful
0–29	Level 6: highly unsuccessful
Overall rating: The OECD DAC criteria effectiveness, impact and sustainability are knock-out criteria: If one of the criteria is rated level 4 or lower, the overall rating cannot be higher than level 4 even though the mean score may in fact be higher.	

5 Conclusions and recommendations

5.1 Key findings and factors of success and failure

Factors of success

The evaluation identified a number of factors to help explain the success of the project. The leverage of significant funds through partner contributions from GoG, NFA, the financial sector, EE-AF suppliers, private sector forest contractors and households has fostered the project's coherence, effectiveness and efficiency. The very strong political will of GoG to increase SFM and the very strong commitment of Georgian partners have clearly facilitated project implementation. The combination of funds from three donor organisations has considerably increased the project's efficiency. A major asset of ECO.Georgia is its holistic approach, which includes all relevant stakeholder groups (central government, agencies, municipalities, NGOs and the private sector) and thematic topics. The cofinancing of SDC filled a gap in terms of the human dimension of the forest sector reform. Finally, the strong commitment of the project staff and the exemplary project management have contributed to the successful project implementation.

Factors of failure / challenges

The evaluation also identified several factors representing challenges for the project. A major internal factor and challenge is the delay in the forest sector reform. Regarding the challenge to achieve a sustainable market for EE stoves, the major challenges lie in the higher prices of EE stoves and the lower-than-expected consumer interest in buying EE stoves. The procedures to access subsidies for EE stoves and payback schemes are too long or complex for some beneficiaries. In addition, mouth-to-ear marketing for EE stoves is not sufficient. Regarding SFM, the main challenge is that the quality and quantity of timber are lower than expected. Consequently, forests cannot supply the expected quantity and quality of wood, which is why NFA's business model may need to be updated.

An external challenge for the ECO.Georgia project is that NGOs may not be able to continue operating under the Law on Transparency of Foreign Influence.

Findings regarding innovativeness

ECO.Georgia strongly fostered innovation at different levels. Regarding the project's financing, it successfully leveraged funds from GoG and other Georgian actors. In terms of thematic innovation, the project initiated innovative processes, for example by setting up new data management systems to be used in forest-related MRV systems.

Findings regarding coherence in climate finance

The ECO.Georgia project is one of six GCF (co)funded projects in Georgia or in multiple countries including Georgia. The project titled Greening Financial Systems: Delivering Climate Finance for All (FP 253) aims to achieve systemic transformation of the financial sector in 13 countries by providing concessional financing for climate change mitigation and adaptation projects for SMEs, housing associations, municipalities, public utilities and other bodies. It builds on the Green Economy Financing Facility (FP 025), a project cofinanced by the European Bank for Reconstruction and Development (EBRD) and GCF and formerly known as the Sustainable Energy Financing Facilities Cofinancing Programme, which delivered widescale climate finance to the private sector through partner financial institutions across 10 countries (GCF, 2025). The E-Mobility Programme (FP 225), a multiple-country programme, aims to promote a shift to convenient and contemporary public transportation systems through non-motorised methods and electric micromobility in cities. In addition, it integrates climate-proofing measures to help safeguard transport infrastructure and enhance resilience to address extreme weather events (GCF, 2025). The multiple-country project Green Cities Facility (FP086) aims to enable the transition of cities to low-carbon, climate-resilient urban development models (GCF, 2025). In addition, the project Scaling up Multi-Hazard Early Warning Systems and the Use of Climate Information in Georgia (FP 068) seeks to reduce the climate risk to Georgia's communities by supporting infrastructure and livelihoods (GCF, 2025). In summary, two projects focus on climate finance and two others on urban areas, while one project strengthens climate science and adaptation. In addition to the GCF-funded programmes and projects, the International Finance Corporation (IFC) declared in 2024 that it is investing USD 150 million in TBC Bank, Georgia's largest bank, to boost access to finance for its SME portfolio and bolster the country's climate finance market (IFC, 2024). With a specific focus on reducing emissions from land use, increasing reforestation, reducing deforestation, SFM and enhancement of forest carbon stocks, ECO.Georgia is a unique project that perfectly complements other climate finance initiatives (GCF, 2025; IFC, 2024).

Findings regarding gender equity

The project actively fosters gender equality and has developed a GAP, including actions, targets and indicators for each activity. The GAP is exhaustive and actively monitored in the project's monitoring system (WebMo) (GIZ, 2024e). Additionally, ECO.Georgia has carried out several gender-related studies and implemented gender-specific actions, especially to mainstream gender in SFM, FMPs and forest-related value chains (GIZ, 2024e, 2024o). Moreover, the gender dimension of the voucher programme for EE stoves was assessed and suggestions for modifications provided (GIZ, 2024e). The evaluation therefore concluded that it is highly probable that the project will generate positive impacts for women. Although most of the impacts expected are not yet visible, since the processes require time to show evidence of change, certain immediate benefits for women through value chains-related training, business plan development and grant schemes are already evident.

Findings regarding the 2030 Agenda

The project is contributing to achieving several SDGs, in particular:

- SDG 13 (combat climate change),
- SDG 15 (terrestrial ecosystems, sustainably managed forests, land degradation and biodiversity), and
- SDG 7 (access to affordable, reliable, sustainable and modern energy).

Universality, shared responsibility and accountability

The project has been highly successful, not only in integrating into partners' systems and structures, but also in combining funding from three donors. The evaluation also found evidence of GoG's willingness to replicate the project activities through the government budget.

The project was also successful in sharing a monitoring platform with its partners.

Interplay of economic, environmental and social development

The project has been highly successful in pursuing a holistic approach to sustainable development. Protection of natural resources is one of the key objectives of ECO.Georgia. It also promotes economic development by strengthening private sector companies. Through its activities to foster participation and by addressing the needs of vulnerable population groups in rural areas, the project also covers the social dimension of sustainable development.

ECO.Georgia has successfully addressed environmental and social challenges. It has undergone an environmental and social impact assessment and established an ESHS MS (GIZ, 2021e, 2024e). The project has been screened against IFC performance standards and the GCF and GIZ ESS system. The project has also integrated ESS into forest management, for example in relation to the construction or rehabilitation of infrastructure such as forest roads and the construction and operation of BSYs (GIZ, 2024e).

The evaluation did not reveal any unintended negative results.

Inclusiveness / leave no one behind

The project was specifically aimed at vulnerable groups, as it worked in favour of vulnerable rural population groups. The project took the needs of women into account, primarily by setting up and implementing a GAP. The project has successfully contributed to strengthening the capacities of vulnerable people working in the forest sector.

5.2 Recommendations

For partners and GIZ

Regarding the **project design**, indicators need to be adapted, especially for outcome M6.0 and key result 3. In addition, the baseline for key result 1 needs to be updated in light of the actual status of forests.

As the project results are slightly delayed, due mainly to external factors, it is recommended that the **project term** be extended by at least one year, if possible, with a view to increasing the chances of achieving the expected results.

In terms of **project management**, the implications of the Law on Transparency of Foreign Influence for project implementation need to be discussed, especially regarding cooperation with NGOs.

Several actions are recommended to strengthen **project implementation**. To increase the market volume of EE stoves, awareness raising and marketing campaigns for EE stoves are needed. Moreover, the possibility of increasing the subsidies for stoves should be discussed with donor organisations. In addition, EE stoves should be promoted in all public buildings without gas infrastructure and the certification rate of EE stoves should be increased, by also including imported stoves. In terms of SFM, additional awareness raising on the impact of illegal logging is needed. Moreover, the promotion of BSYs should be stepped up.

For SDC and GIZ

Regarding the design of a potentially upcoming follow-on phase of the SDC-funded component 3, it is recommended that **Local Advisory Councils** be further strengthened to foster participation at municipality level. As forest-dependent population groups do not always understand the impact of illegal logging or the need for SFM, the **participation mechanism** in municipalities should be strengthened in relation to the implementation of the Forest Code. In addition, there is a need for more communication between NFA and the population. The grievance mechanism constitutes one of the project's success stories and should be rolled out. Municipalities showing a specific interest in taking over responsibilities for forest management and conservation might also need additional **technical capacity building**, especially through training in SFM. Regarding the development of forest-related **value chains**, the initial results of the project are encouraging, and these should be rolled out, but with a clear focus on SFM and conservation.

Green Transformation Georgia (ECO.Georgia)

Forests, which account for around 44.5% of Georgia's land cover, are a critical resource for the country's socioeconomic development and biodiversity. Additionally, forests play a pivotal role in regulating Georgia's net GHG emissions. The project titled Green Transformation Georgia (ECO.Georgia) assists GoG in implementing its transformative forest sector reform agenda by strengthening sustainable forest management, promoting energy efficient stoves and alternative fuels, and diversifying livelihood opportunities and strengthening local self-governance in forest-adjoining rural communities. The project is a multi-donor intervention that includes funds from GCF, BMZ and SDC.

List of references

Note: Due to data source and data protection, interviews are not listed here in detail as sources. An overview of the number and type of interviews and surveys conducted can be found in chapter 3.

GIZ project documents

GIZ (2019a): *BMZ project proposal*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2019b): *Gender assessment*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2020b): *GCF feasibility study*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2021a): *GCF funding proposal*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2021b): *SDC project documentation*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2021c): *BMZ modification proposal I*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2021d): *BMZ modification proposal II*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2021e): *Environmental and Social Management Plan (ESMP)*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2022a): *Annual progress report to BMZ (2021)*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2022b): *CD strategy I*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2022c): *Terms of Reference for the Project Steering Committee (PSC) and Project Implementation Unit*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2023a): *Annual progress report to BMZ (2022)*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2023b): *Annual progress report to GCF*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024a): *Annual progress report to BMZ (2023)*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024b): *Annual progress report to GCF*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024c): *CD strategy II*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024d): *Project implementation timetable*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024e): *Web-based monitoring system (Web-Mo)*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH [online], not publicly accessible [accessed on 03/09/2024].

GIZ (2024f): *Presentation „Briefing Mid-Term Evaluators ECO.Georgia (2).pptx“*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024g): *Presentation „ECO.Georgia Finance Management MTE.pptx“*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024h): *Presentation „Results Model-MTE.pptx“*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024i): *Provisions of Forest Code mainstreamed into secondary regulations*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished mail.

GIZ (2024j): *Registry of submitted SFM Ideas (excel sheet)*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024k): *Overview of business plans (excel sheet)*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024l*): Anlage 3b, Ist-Kosten und angepasste Prognose pro Output bilat./reg. Vorhaben (Financial report, 30/11/2024) (excel sheet), Tbilissi* (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024m): *Efficiency Tool applied on ECO.Georgia project (excel sheet)*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024n): *Summary staff (excel sheet)*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2024o): *Gender mainstreaming in forest related value chains*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

Other GIZ documents

Garcia, C. (2020): *Environmental and social impact assessment and environmental and social management plan. Volume 2 - Environmental and social management plan*, Tbilissi (Georgia): Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2007): *Peace and Conflict Assessment (PCA). Ein methodischer Rahmen zur konflikt- und friedensbezogenen Ausrichtung von EZ-Maßnahmen,* Eschborn: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

GIZ (2014a): *Guidelines on Designing and Using a Results-based Monitoring System,* Eschborn: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2014b): *Indicators. A Working Aid*, Eschborn: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2015a): *The GIZ Results Model. A Working Aid,* Eschborn: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2015b): *Knowing What Works: Capturing Results Using Contribution Analyses,* unpublished report. Eschborn: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH.

GIZ (2018a): *Central Project Evaluations: Implementation Guidelines*, Eschborn: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2018b): *Central Project Evaluations: Implementation Guidelines,* Eschborn: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2020a): *Report Writing Guidelines for GIZ Central Project Evaluations,* Eschborn/Bonn: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH, unpublished document.

GIZ (2022d): *GIZ's Evaluation System – Central Project Evaluations for BMZ Business,* Eschborn: Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH [online]: https://www.giz.de/en/downloads/giz-2023-en-gizs-evaluation-sytem-central-project-evaluations-in-bmz-business.pdf [17/01/2025].

Further references

Bond, B. Befani with M. O'Donnell (2016): *Choosing Appropriate Evaluation Methods Tool,* Bond [online] https://www.cecan.ac.uk/news/choosing-appropriate-evaluation-methods-a-tool-for-assessment-and-selection-version-two/ [17/01/2025].

Bundesministerium für wirtschaftliche Zusammenarbeit und Entwicklung (BMZ) (2021): *Grundsätze der Evaluierung. Evaluierungskriterien für die deutsche bilaterale Entwicklungszusammenarbeit. Orientierungslinien des BMZ,* BMZ, [online] https://www.bmz.de/resource/blob/92894/3e098f9f4a3c871b9e7123bbef1745fe/evaluierungskriterien-data.pdf [17/01/2025].

The Collaborative for Development Action Inc (CDA) (2004): *The Do No Harm Handbook*. *The Framework for Analyzing the Impact of Assistance on Conflict*, Cambridge, MA: CDA, pp. 11–12.

ESCAP (2020): *Energy Transition Pathways for the 2030 Agenda. SDG7 Roadmap for Georgia*; United Nations Economic and Social Commission for Asia and the Pacific [online] https://www.unescap.org/sites/default/d8files/knowledge-products/SDG7-roadmap-Georgia--Executive-Summary.pdf

GCF (2025): *Georgia* [online] https://www.greenclimate.fund/countries/georgia [17/01/2025]

GoG (2020): *Forest Code of Georgia,* Tbilisi: Government of Georgia [online] https://matsne.gov.ge/en/document/view/4874066?publication=3 [19/02/2025]

GoG (2021a): *Georgia's updated Nationally Determined Contribution (NDC)*, Tbilisi: Government of Georgia [online] https://unfccc.int/sites/default/files/NDC/2022-06/NDC%20Georgia_ENG%20WEB-approved.pdf [09/12/2024]

GoG (2021b): *Georgia's 2030 Climate Change Strategy (Mitigation)*, Tbilisi: Government of Georgia [online] https://faolex.fao.org/docs/pdf/geo209870.pdf [09/12/2024]

GoG (2024a): *Decree on Forest Management Plan for Akhmeta*, Tbilisi: Government of Georgia

GoG (2024b): *Roadmap of the Georgian Forestry Sector for 2024-2030 - Draft*, Tbilisi: Government of Georgia, unpublished document.

GoG (2024c): *Resolution on Approval of the criteria for determining "forest of local importance" and the procedure for transferring a forest of local importance to a municipality - Draft*, Tbilisi: Government of Georgia, unpublished document.

GoG (2024d): *MoUs and agreements between NFA and TVET colleges*, Tbilisi: Government of Georgia, unpublished mail

IFC (2024): *IFC Invests $150 Million in TBC Bank to Boost SME and Climate Financing in Georgia* [online] https://www.ifc.org/en/pressroom/2024/ifc-invests-150-million-in-tbc-bank-to-boost-sme-and-climate-financing-in-georgia [17/01/2025]

Organisation for Economic Co-operation and Development (OECD) (no date): *Evaluation Criteria*, OECD [online] www.oecd.org/dac/evaluation/daccriteriaforevaluatingdevelopmentassistance.htm [last accessed date].

RDA (2024a): *Data Update on Volume of investments (EUR) in EE-AF production sector*, Tbilisi: Rural Development Agency, unpublished document

United Nations Evaluation Group (UNEG) (2024): *UNEG Guidance on Integrating Human Rights and Gender Equality in Evaluations,* New York: UNEG [online] https://www.unevaluation.org/uneg_publications/uneg-guidance-integrating-human-rights-and-gender-equality-evaluations [12/03/2025]

WWF (no date): *Development of the protected area network in Georgia,* [online] https://www.wwfcaucasus.org/our_work/protected_areas22/protected_areas_georgia/ [13/12/2024]

Annex: Evaluation criteria, dimensions, and questions

Relevance

OECD DAC Criterion Relevance - Is the intervention doing the right things?

The **'relevance'** criterion focuses on the intervention's design. It refers to the extent to which the objectives and design of a development intervention are consistent with the (global, country and institution-specific) requirements, needs, priorities and policies of beneficiaries and stakeholders (individuals, groups, organisations and development partners). It also identifies the ability of the intervention's design to adapt to a change in circumstances. "Relevance" is assessed in relation to 1) the **time of the intervention design**[1] and 2) from **today's perspective**[2].

Assessment dimensions	Question Type	Application in this evaluation	Evaluation questions	Clarifications	GCF Evaluation Questions
Alignment with policies and priorities	BMZ Standard	Mandatory	To what extent are the intervention's objectives aligned with the (global, regional and country specific) policies and priorities of the BMZ and of the beneficiaries and stakeholders and other (development) partners? To what extent do they take account of the relevant political and institutional environment?	• Orientation at BMZ country strategies and BMZ sector concepts • Strategic reference framework for the project (e.g. national strategies including the national implementation strategy for Agenda 2030, regional and international strategies, sectoral and cross-sectoral change strategies, in bilateral projects especially partner strategies, internal analytical framework e.g. safeguards and gender[4] • Orientation of the project design at the (national) objectives of Agenda 2030 • Project contribution to certain Sustainable Development Goals (SDGs) • Explanation of a hierarchy of the different policies, priorities (especially in case of contradictions) • For global and sector projects please use CPE factsheet on GV	•Were the context, problem, needs and priorities well analysed and reviewed during project initiation? •To what extent is the project aligned with national development plans, national plans of action on climate change, or sub-national policy as well as project and priorities of national partners?
	Context / Conflict Sensitivity (fragility)	Applicable	To what extent was the (conflict) context of the project adequately analysed and considered for the project concept?	• Key documents: (Integrated) Peace and Conflict Assessment (I)PCA, Safeguard Conflict and Context Sensitivity documents	
Alignment with the needs and capacities of the beneficiaries and stakeholders	BMZ Standard	Mandatory	To what extent are the intervention's objectives aligned with the development needs and capacities of the beneficiaries and stakeholders involved (individuals, groups and organisations)?	• Also: consideration of stakeholders such as civil society and private sector in the design of the measure	
	Context / Conflict Sensitivity (fragility)	Applicable	How were deescalating factors/ connectors[5] as well as escalating factors/ dividers[6] in the project context identified and considered for the project concept (please list the factors)?[7]	• e.g., see column I and II of the (Integrated) Peace and Conflict Assessment	
	Context / Conflict Sensitivity (fragility)	Applicable	To what extent were potential (security) risks for (GIZ) staff, partners, target groups/final beneficiaries identified and considered?		

Note: The evaluation matrix, including methodology, is included in the individual chapters on the OECD DAC criteria in this report.

Note: Questions in *italic* are descriptive 'learning and help questions' specified by BMZ that are relevant for the analysis but not for the final assessment. Standard questions are defined in 'Evaluation criteria for German bilateral cooperation' (BMZ, 2021)

	BMZ Standard	Mandatory	To what extent are the intervention's objectives geared to the needs and capacities of particularly disadvantaged and vulnerable beneficiaries and stakeholders (individuals, groups and organisations)? With respect to groups, a differentiation can be made by age, income, gender, ethnicity, etc.?	• Reaching particularly disadvantaged groups (in terms of Leave No One Behind, LNOB) • Consideration of potential for human rights and gender aspects • Consideration of identified risks	Does the project account in activities and planning for local power dynamics and how project interventions affect different marginalised groups as beneficiaries?
Appropriateness of the design[3]	BMZ Standard	Mandatory	To what extent is the intervention's design appropriate and realistic (in terms of technical, organisational and financial aspects)?	• Realistic project goal from today's perspective and in view of the available resources (time, finances, partner capacities) • Consideration of potential changes in the framework conditions • Dealing with the complexity of framework conditions and strategic reference frameworks and with possible overloading • Strategic focusing	Are the planned project objectives and outcomes relevant and realistic to the situation on the ground?
	BMZ Standard	Mandatory	To what extent is the intervention's design sufficiently precise and plausible (in terms of the verifiability und traceability of the system of objectives and the underlying assumptions)?	Assessment of the (current) results model and results hypotheses (Theory of Change, ToC) of the actual project logic: • Adequacy of activities, instruments and outputs in relation to the project objective to be achieved • Plausibility of the underlying results hypotheses • Clear definition and plausibility of the selected system boundary (sphere of responsibility) • Appropriate consideration of potential influences of other donors/ organisations outside the project's sphere of responsibility • completeness and plausibility of assumptions and risks for the project results • How well is co-financing (if any) integrated into the overall concept of the project and what added value could be generated for the ToC/project design?	• Is the project TOC and intervention logic coherent and realistic? Does the TOC and intervention logic hold or does it need to be adjusted? • Do outputs link to intended outcomes which link to broader paradigm shift objectives of the project? • Are the identified, planned inputs and strategies realistic, appropriate and adequate to achieve the results? Were they sequenced sufficiently to efficiently deliver the expected results? • How realistic are the risks and assumptions of the project?
	BMZ Standard	Mandatory	To what extent is the intervention's design based on a holistic approach to sustainable development (interaction of the social, environmental and economic dimensions of sustainability)?	• Presentation of the interactions (synergies/trade-offs) of the intervention with other sectors in the project design - also regarding the sustainability dimensions in terms of Agenda 2030 (economic, ecological and social development)	
Adaptability – response to change	BMZ Standard	Mandatory	To what extent has the intervention responded to changes in the environment over time (risks and potentials)?	• Reaction to changes during project including modification offers (e.g., local, national, international, sectoral changes, including state-of-the-art sectoral know-how)	How has been the project's ability to adapt and evolve been based on continuous lessons learned and the changing development landscape? Please account for factors both within the AE and EE and external

(1) The 'time of the intervention design' is the point in time when the offer/most recent modification offer was approved.
(2) In relation to the current standards, knowledge and framework conditions.
(3) The design of an intervention is usually assessed by evaluating its intervention logic. The intervention logic depicts the system of objectives used by an intervention. It maps out the systematic relationships between the individual results levels. At the time an intervention is designed, the intervention logic, in the form of a logical model, is described in the offer for the intervention both as a narrative and generally also based on a results framework. The model is reviewed at the start of an evaluation and adjusted to reflect current knowledge. Comprehensive (re)constructed intervention logics are also known as "theories of change". In GIZ the 'project design' encompasses project objective (outcome) and the respective theory of change (ToC) with outputs, activities, TC-instruments and especially the results hypotheses as well as the implementation strategy (e.g., methodological approach, Capacity Development (CD) strategy). In GIZ the Theory of Change is described by the GIZ results model as graphic illustration and the narrative results hypotheses.

(4) In the GIZ Safeguards and Gender system risks are assessed before project start regarding following aspects: gender, conflict, human rights, environment and climate. For the topics gender and human rights not only risks but also potentials are assessed. Before introducing the new safeguard system in 2016 GIZ used to examine these aspects in separate checks.
(5) Deescalating factors/connectors/peace needs: e.g., peace-promoting actors and institutions, structural changes, peace-promoting norms and behaviour. For more details on 'connectors' see: GIZ (2007): 'Peace and Conflict Assessment (PCA). Ein methodischer Rahmen zur konflikt- und friedensbezogenen Ausrichtung von EZ-Maßnahmen', p. 55/135 and the iPCA Writing Template.
(6) Escalating factors/ dividers: e.g., destructive institutions, structures, norms and behaviour. For more details on 'dividers' see: GIZ (2007): 'Peace and Conflict Assessment (PCA). Ein methodischer Rahmen zur konflikt- und friedensbezogenen Ausrichtung von EZ-Maßnahmen', p. 135 and the iPCA Writing Template.

		(7) All projects in fragile contexts, projects with FS1 or FS2 markers and all transitional development assistance projects should weaken escalating factors/dividers and must mitigate risks in the context of conflict, fragility and violence (and human rights). Projects with FS1 or FS2 markers should also consider how to strengthen deescalating factors/ connectors and how to address peace needs in its project objective/sub-objective.

Coherence

OECD DAC Criterion Coherence - How well does the intervention fit?

This criterion refers to the intervention's compatibility with other interventions in a country, sector or institution as well as with international norms and standards. Internal coherence addresses the synergies and division of tasks between the intervention and other interventions of German development cooperation and also the intervention's consistency with the relevant international norms and standards to which German development cooperation adheres. External coherence considers the intervention's complementarity, harmonisation and coordination with the interventions of other partners, donors and international organisations. The "coherence" criterion relates both to the intervention's design as well as to the results it achieves.

Assessment dimensions	Question Type	Application in this evaluation	Evaluation questions	Clarifications	GCF Evaluation Questions
Internal coherence ***entire dimension not relevant for GCF mid-term review. External Coherence is to be rated against a maximum of points of 100.***	BMZ Standard	Mandatory	Within German development cooperation, to what extent is the intervention designed and implemented (in a sector, country, region or globally) in a complementary manner, based on the division of tasks?	• Also, analysis of whether the project takes the necessary steps to fully realize synergies within German development cooperation	
	BMZ Standard	Mandatory	To what extent are the instruments of German development cooperation (Technical and Financial Cooperation) meaningfully interlinked within the intervention (in terms of both design and implementation)? Are synergies leveraged?	• if applicable, also consider projects of different German ressorts/ministries	
	BMZ Standard	Mandatory	To what extent is the intervention consistent with international and national norms and standards to which German development cooperation is committed (e.g., human rights)?		
External coherence	BMZ Standard	Mandatory	To what extent does the intervention complement and support the partner's own efforts (principle of subsidiarity)?		• Who are the partners of the project and how strategic are they in terms of capacities and commitments? • Is there coherence and complementarity by the project with other actors for other local climate change interventions? • To what extent has the project complimented other on-going local level initiatives on climate change adaptation or mitigation?
	BMZ Standard	Mandatory	To what extent has the intervention's design and implementation been coordinated with other donors' activities?	• Also: To what extent could synergies be achieved through co-financing (where available) with other bilateral and multilateral donors and organizations and how did co-financing contribute to improved donor coordination?	
	BMZ Standard	Mandatory	To what extent has the intervention's design been designed to use existing systems and structures (of partners/other donors/international organisations) for implementing its activities? To what extent are these systems and structures used?	• Also, analysis of whether the project is taking the necessary steps to fully realize synergies with interventions of other donors at the impact level	
	BMZ Standard	Mandatory	To what extent are common systems (together with partners/other donors/international organisations) used for M&E, learning and accountability?		To what extent are country-level systems for project management or M&E utilized in the project?

Effectiveness

OECD DAC Criterion Effectiveness - Is the intervention achieving its objectives?

'Effectiveness' refers to the extent to which the intervention has achieved, or is expected to achieve, its objectives (at outcome level), including any differential results across beneficiary and stakeholder groups. It examines the achievement of objectives in terms of the direct, short-term and medium-term results.

Assessment dimensions	Question Type	Application in this evaluation	Evaluation questions	Clarifications	GCF Evaluation Questions
Achievement of the (intended) objectives[1] ***for GCF mid-term reviews: assessment against mid-term targets as per funding proposal***	BMZ Standard	Mandatory	To what extent has the intervention achieved, or is the intervention expected to achieve, the (intended) objectives as originally planned (or as modified to cater for changes in the environment)?	• Assessment based on the project objective indicators (agreed with BMZ) • Check whether more specific or additional indicators are needed to adequately reflect the project objective	• Are the outputs being achieved in a timely manner? Is this achievement supportive of the TOC and pathway identified? • What and how much progress has been made towards achieving the overall outputs and outcomes of the project (including contributing factors and constraints)? How strong is the evidence base for the achievement of outcomes, and to what extent are they based on the application of a well-defined method? • To what extent did the design of the project help or hinder achieving its own goals? • To what extent is the project able to demonstrate changes against the baseline (assessment in approved funding proposal) for the GCF investment criteria (including contributing factors and constraints)?
	Context / Conflict Sensitivity (fragility)	Applicable	For projects with FS1 or FS2 markers: To what extent was the project able to strengthen deescalating factors/ connectors/ capacities of peace?[2, 4]		
Contribution to achievement of objectives	BMZ Standard	Mandatory descriptive learning question	*To what extent have the intervention's outputs been delivered as originally planned (or as modified to cater for changes in the environment)?*		
	BMZ Standard	Mandatory	To what extent have the delivered outputs and increased capacities been used and equal access (e.g., in terms of physical, non-discriminatory and affordable access) guaranteed?		
	BMZ Standard	Mandatory	To what extent has the intervention contributed to the achievement of objectives?	• Assessment based on the activities, TC-instruments and outputs of the project (contribution-analysis as focus of this assessment dimension and minimum standard, see annotated reports) • What would have happened without the project? (Usually qualitative reflection)	To what extent has the project contributed to an enabling environment? What is the strength of evidence for this finding based on the scorecard assessment?
	BMZ Standard	Mandatory	To what extent has the intervention contributed to the achievement of objectives at the level of the intended beneficiaries?		To what extent are the beneficiaries satisfied with the project's results?
	BMZ Standard	Mandatory	To what extent has the intervention contributed to the achievement of objectives at the level of particularly disadvantaged or vulnerable groups of beneficiaries and stakeholders? (These may be broken down by age, income, gender, ethnicity, etc.)?		• Do all groups of beneficiaries know their rights and/or benefits from project activities/interventions? • How do the results for women compare to those for men? • Is the decision-making process transparent and inclusive of all relevant marginalised groups? • Did the project sufficiently address cross-cutting issues, including gender?

	BMZ Standard	Mandatory descriptive learning question	*Which internal factors (technical, organisational or financial) were decisive for achievement/non-achievement of the intervention's intended objectives?*	• Internal factors = within the project's sphere of responsibility / system boundary. The project is implemented jointly by GIZ and the official partner(s).	What are project's lessons learned, failures/lost opportunities to date? What might have been done better or differently?
	BMZ Standard	Mandatory descriptive learning question	*Which external factors were decisive for achievement/non-achievement of the intervention's intended objectives (considering the anticipated risks)?*	• External factors = outside the project's sphere of responsibility / system boundary. The project is implemented jointly by GIZ and the official partner(s).	
Quality of implementation	BMZ Standard	Mandatory	What assessment can be made of the quality of steering and implementation of the intervention in terms of the achievement of objectives? What assessment can be made of the quality of steering and implementation of, and participation in, the intervention by the partner/executing agency?	Capacity Works considerations: - **Results-oriented monitoring (RoM / WoM)** is established and used, e.g., for evidence-based decisions, risk management. Data are disaggregated by gender and marginalized groups. unintended positive and negative results are monitored. Conflict-sensitive monitoring and explicit risk-safety monitoring are particularly important for projects in fragile contexts. - A bindingly communicated **strategy** agreed with the partners is pursued - Involvement and **cooperation** of all relevant actors (including partners, civil society, private sector) - **Steering**: decisions influencing the project's results are made in time and evidence-informed. Decision processes are transparent. - **Processes**: Relevant change processes are anchored in the cooperation system; project-internal processes are established and regularly reflected and optimised. - **Learning and innovation**: There is a learning and innovation-friendly work culture that promotes the exchange of experience; learning processes are established; context-specific adjustments are possible	• How well is country ownership reflected on the project governance, coordination and consultation mechanisms or other consultations? • To what extent did project deal with issues and risks in implementation in an efficient manner? • To what extent was the M&E tools such as the TOC and log frame used in performance management and progress reporting? • To what extent did the project's M&E data and mechanism(s) contribute to achieving project results? • Were there clear baseline indicators and/or benchmark for performance measurements? How were these used in project management? • To what extent and how did the project apply adaptive management? • To what extent has the project relied on and goes beyond sex-disaggregated data per population statistics? • Are the project governance mechanisms functioning efficiently?
Unintended results	BMZ Standard	Mandatory	To what extent can unintended positive/negative direct results (social, economic, environmental and among vulnerable beneficiary groups) be observed/anticipated?	• The focus is on the outcome level, but for the analysis the unintended effects can also be included on the output level	• Can any unintended or unexpected positive or negative effects be observed as a consequence of the project's interventions? • What factors have contributed to the unintended outcomes, outputs, activities, results? •
	Context / Conflict Sensitivity (fragility)	Applicable	To what extent was the project able to ensure that escalating factors/ dividers[3] have not been strengthened (indirectly) by the project[4]? Has the project unintentionally (indirectly) supported violent or 'destructive' actors (also regarding human rights violations)?		
	BMZ Standard	Mandatory	What potential benefits/risks arise from the positive/negative unintended results? What assessment can be made of them?	• also check whether the risks were already mentioned and monitored in the design phase	
	Context / Conflict Sensitivity (fragility)	Applicable	To what extent have risks and unintended-negative results in the context of conflict, fragility and violence[5] been monitored (context and/or conflict-sensitive monitoring) in a systematic way?		

(1) The first and second assessment dimensions are interrelated: If the project's contribution to achieving the objective is small (2nd assessment dimension), this must also be considered when evaluating the first assessment dimension.
(2) Deescalating factors/ connectors/ peace needs: e.g., peace-promoting actors and institutions, structural changes, peace-promoting norms and behaviour. For more details on 'connectors' see: GIZ (2007): 'Peace and Conflict Assessment (PCA). Ein methodischer Rahmen zur konflikt- und friedensbezogenen Ausrichtung von EZ-Maßnahmen', p. 55/135 and the iPCA Writing Template.
(3) Escalating factors/ dividers: e.g., destructive institutions, structures, norms and behaviour. For more details on 'dividers' see: GIZ (2007): 'Peace and Conflict Assessment (PCA). Ein methodischer Rahmen zur konflikt- und friedensbezogenen Ausrichtung von EZ-Maßnahmen', p. 135.
(4) All projects in fragile contexts, projects with FS1 or FS2 markers and all transitional development assistance projects should weaken escalating factors/dividers and must mitigate risks in the context of conflict, fragility and violence (and human rights). Projects with FS1 or FS2 markers should also consider how to strengthen deescalating factors/ connectors and how to address peace needs in its project objective/sub-objective.
(5) Risks in the context of conflict, fragility and violence: e.g., contextual (e.g., political instability, violence, economic crises, migration/refugee flows, drought, etc.), institutional (e.g., weak partner capacity, fiduciary risks, corruption, staff turnover, investment risks) and personnel (murder, robbery, kidnapping, medical care, etc.). For more details see: GIZ (2014): 'Context- and conflict-sensitive results-based monitoring system (RBM). Supplement to: The 'Guidelines on designing and using a results-based monitoring system (RBM) system.', p.27 and 28.

Impact

OECD DAC Criterion Impact (higher-level development results) - What difference does the intervention make?

Based on recognisable higher-level development changes (at impact level), the criterion of "higher level development results (at impact level)" relates to the extent to which the intervention has already produced significant positive or negative, intended or unintended results at the overarching level (contributions to the observed changes) or is expected to do so in the future. This includes any differential results across different stakeholders and beneficiaries. This criterion refers to the results of the development intervention.

Assessment dimensions	Question Type	Application in this evaluation	Evaluation questions	Clarifications	GCF Evaluation Questions GCF mid-term review: qualitative assessment only for Impact, no quantitative rating
Higher-level (intended) development changes[1] ***for GCF mid-term review: joint narrative assessment of dimension 1 and 2, looking at future prospects***	BMZ Standard	Mandatory	To what extent can the higher-level development changes (social, economic and environmental dimensions and the interactions between them) to which the intervention will/is designed to contribute be identified/foreseen)? (Specify time frame where possible.)	• Consider module proposal for suggested impact and program objective indicators (program proposal), if it is not an individual measure • Potential basis for assessment: program objective indicators, identifiers, connection to the national strategy for implementing 2030 Agenda, connection to SDGs	• How has the project contributed to achieving stronger and more coherent integration of shift to low emission sustainable development pathways and/or increased climate resilient sustainable development (GCF RMF/PMF Paradigm Shift objectives)? Please provide concrete examples and make specific suggestions on how to enhance these roles going forward? • To which extent has the project contributed or will be contributing to the desired paradigm shift? What is the strength of evidence for this based on the scorecard approach? • Which role has the project played in the provision of "thought leadership", "innovation" or "unlocked additional climate finance" for climate change adaptation/mitigation in the project and country context? Please provide concrete examples and make specific suggestions on how to enhance these roles going forward.
	BMZ Standard	Mandatory	To what extent can the higher-level development changes (social, economic, environmental dimensions and the interactions between them) be identified/foreseen at the level of the intended beneficiaries? (Specify time frame where possible.)		
	BMZ Standard	Mandatory	To what extent can higher-level development changes to which the intervention will/is designed to contribute be identified/foreseen at the level of particularly disadvantaged/vulnerable groups of beneficiaries and stakeholders? (These may be broken down by age, income, gender, ethnicity, etc.) (Specify time frame where possible.)		
Contribution to higher-level (intended) development changes	BMZ Standard	Mandatory	To what extent has the intervention actually contributed to the identified and/or foreseeable higher level development changes (social, economic, environmental dimensions and their interactions, considering political stability) that it was designed to bring about?	• Contribution analysis (evaluation design) as minimum standard and focus of this assessment dimension, further approaches are possible and welcome, see also annotated reports • Evaluation of the project's contribution to impacts based on an analysis of the results hypotheses from outcome to impact level	

for GCF mid-term review: joint narrative assessment of dimension 1 and 2, looking at future prospects	BMZ Standard	Mandatory	To what extent has the intervention achieved its intended (original and, where applicable, revised) development objectives?	• This question can already be assessed in Dimension 1 Question 1, the contribution to impact is assessed in Dimension 2, Question 1	
	BMZ Standard	Mandatory	To what extent has the intervention achieved its (original and, where applicable, revised) development objectives at the level of the intended beneficiaries?		
	BMZ Standard	Mandatory	To what extent has the intervention contributed to higher-level development changes/changes in the lives of particularly disadvantaged or vulnerable groups of beneficiaries and stakeholders that it was designed to bring about? (These may be broken down by age, income, gender, ethnicity, etc.).		
	BMZ Standard	Mandatory descriptive learning question	*Which internal factors (technical, organisational or financial) were decisive for achievement/non-achievement of the intervention's intended development objectives?*	• Internal factors = within the project's sphere of responsibility / system boundary. The project is implemented jointly by GIZ and the official partner(s)	
	BMZ Standard	Mandatory descriptive learning question	*Which external factors were decisive for the achievement/non-achievement of the intervention's intended development objectives?*	• External factors = outside the project's sphere of responsibility / system boundary. The project is implemented jointly by GIZ and the official partner(s). • Consider the activities of other actors or other policies, framework conditions, other policy areas, strategies or interests (German ministries, bilateral and multilateral development partners)	
	BMZ Standard	Mandatory	To what extent has the intervention achieved structural or institutional changes (e.g., for organisations, systems and regulations)?		
	BMZ Standard	Mandatory	To what extent did the intervention serve as a model and/or achieve broad-based impact?	• Scaling-up is a consciously designed process to anchor changes in organisations and cooperation systems (e.g., concepts, approaches, methods) to generate broad impact • There is vertical scaling-up, horizontal scaling-up, functional scaling-up or a combination of these[2] • also analyse possible potential and reasons for not exploiting it	
	BMZ Standard	Mandatory descriptive learning question	*How would the situation have developed without the intervention?*	• usually qualitative reflection, quantitative approaches welcome	
Contribution to higher-level (unintended) development changes ***for GCF mid-term review: not relevant, unintended effects are assessed under effectiveness only***	BMZ Standard	Mandatory	To what extent can higher-level, unintended development changes (social, economic and environmental dimensions and their interactions, considering political stability) be identified/foreseen? (Specify time frame where possible.)		• Can any unintended or unexpected positive or negative effects be observed as a consequence of the project's interventions? • What factors have contributed to the unintended outcomes, outputs, activities, results?
	Context / Conflict Sensitivity (fragility)	Applicable	To what extent did the project have (unintended) negative or escalating effects on the conflict, context of fragility or human rights (e.g., conflict dynamics, violence, legitimacy of state and non-state actors/institutions)? To what extent did the project have positive or deescalating effects on the conflict, context of fragility or human		

			rights (e.g., conflict dynamics, violence, legitimacy of state and non-state actors/institutions)?		
	BMZ Standard	Mandatory	To what extent has the intervention brought about foreseeable/identifiable unintended (positive and/or negative) higher-level development results?	• Analyse whether the risks were already known in the design phase • Check how the assessment of risks in connection with (unintended) negative or (not formally agreed) positive results at the impact level in the monitoring system has been carried out (e.g. use of 'compass') • measures taken to avoid or counteract the risks/ negative effects/ trade-offs[3] • Determine relevant framework conditions for negative results and the project's reaction to them • Examine to what extent potential (not formally agreed) positive results and synergies between the ecological, economic and social development dimensions have been monitored and exploited	
	BMZ Standard	Mandatory	To what extent has the intervention contributed to foreseeable/identifiable unintended (positive and/or negative) higher-level development results at the level of particularly disadvantaged or vulnerable groups of beneficiaries and stakeholders? (These may be broken down by age, income, gender, ethnicity, etc.)		

(1) The first and second assessment dimensions are interrelated: If the project's contribution to achieving the objective is small (2nd assessment dimension), this must also be considered when evaluating the first assessment dimension.
(2) See GIZ 2016 'Guidelines on scaling-up for programme managers (AV) and planning officers'
(3) Risks, negative effects and trade-offs are separate aspects that should be discussed individually at this point.

Efficiency

OECD DAC Criterion Efficiency - How well are resources being used?

This criterion describes the extent to which the intervention delivers results in an economic and timely way (relationship between input and output, outcome and impact level). The evaluation dimension "production efficiency" refers to the appropriateness of the relationship between inputs and outputs. The evaluation dimension "allocation efficiency" refers to the appropriateness of the relationship between the inputs and the results achieved (project/development objective; outcome/impact level) by the intervention. The "efficiency" criterion relates both to the intervention's design and implementation and to the results it achieves.

Assessment dimensions	Question Type	Application in this evaluation	Evaluation questions	Clarifications	GCF Evaluation Questions
Production efficiency	BMZ Standard	Mandatory descriptive learning question	*How are the intervention's inputs (financial, human and material resources) distributed (e.g.by instruments, sectors, sub-interventions, considering the cost contributions of partners/executing agencies/other beneficiaries and stakeholders etc.)?*	• Description of the data: Costs per output, type of costs, agreed and provided partner contributions • Description of the deviations between original planned costs and actual costs (with comprehensible justification, changes are certainly desirable for increased efficiency)	Are financial resources/project activities explicitly allocated to enable women, youth, people with disability, indigenous people and other marginalised groups to benefit from project interventions?
	BMZ Standard	Mandatory	To what extent have the intervention's inputs (financial, human and material resources) been used economically in relation to the outputs delivered (products, investment goods and services)? If possible, refer to data from other evaluations in a region or sector, for instance.	• Use of 'Efficiency tool' including instructions and use of the follow-the-money approach as evaluation design (may be combined with other high-quality approaches) • Output level: Analysis of approaches and activities as well as TC instruments (personnel instruments, financing, materials and equipment)[1] compared to possible alternatives with a focus on the minimum principle (use of comparative data if available) • The project is oriented on internal or external benchmarks in order to achieve its effects economically • Regular reflection of the resources used by project with focus on economically use of resources / cost risks • The overarching costs of the project are in an appropriate proportion to the costs of the outputs	Have project resources been utilized in the most economical, effective and equitable ways possible (considering value for money; absorption rate; commitments versus disbursements and projected commitments; co-financing, etc.)
	BMZ Standard	Mandatory	To what extent could the intervention's outputs (products, investment goods and services) have been increased through the alternative use of inputs (financial, human and material resources)? If possible, refer to data from other evaluations of a region or sector, for instance. (If applicable, this question adds a complementary perspective*) * This case is always applicable in the technical cooperation (TC), please answer the question bindingly	• Use of 'Efficiency tool' including instructions and use of the follow-the-money approach as evaluation design (may be combined with other high-quality approaches) • Output level: Analysis of approaches and activities as well as TC instruments (personnel instruments, financing, materials and equipment)[1] compared to possible alternatives with focus on output maximization (use of comparative data if available) • Analysis of alternative options for allocating resources and shifts between outputs for output maximisation • saved resources can and should be used to maximise outputs • Reflection of the resources during the design phase and regularly during the implementation of the project with focus on output maximisation (with comprehensible justification, changes are certainly desirable for increased efficiency) • 'maximising outputs' means with same resources, under same conditions and with same or better quality	
	BMZ Standard	Mandatory	Were the outputs (products, investment goods and services) produced on time and within the planned time frame?		
Allocation efficiency ***GCF mid-term review: limited assessment possible due to***	BMZ Standard	Mandatory descriptive learning question	*By what other means and at what cost could the results achieved (higher-level project objective) have been attained?*		
	BMZ Standard	Mandatory	To what extent – compared with alternative designs for the intervention – could the results have been attained more cost-effectively?	• Outcome level: Analysis of approaches and activities as well as TC-instruments in comparison to possible alternatives with focus on minimum principle (use of comparative data if available) • Regular reflection in the project of the input-outcome relation and alternatives as well as cost risks	What, if any, alternative strategies would have been more effective in achieving the project objectives?

timing of evaluation				• The partner contributions are proportionate to the costs for the outcome of the project	
	BMZ Standard	Mandatory	To what extent – compared with alternative designs for the intervention – could the positive results have been increased using the existing resources? (If applicable, this question adds a complementary perspective*) * This case is always applicable in the technical cooperation (TC), please answer the question bindingly	• Outcome level: Analysis of applied approaches and activities as well as TC-instruments compared to possible alternatives with focus on maximizing the outcome (real comparison if available) • The project manages its resources between the outputs in such a way that the maximum effects in terms of the module objective are achieved • Regular reflection in the project of the input-outcome relation and alternatives • Reflection and realization of possibilities for scaling-up • If additional funds (e.g. co-financing) have been raised: Effects on input-outcome ratio (e.g. via economies of scale) and the ratio of administrative costs to total costs • Losses in efficiency due to insufficient coordination/complementarity within German DC sufficiently avoided	

(1) see GIZ 2015: 'Integration of TC Instruments – Key Elements', based on BMZ 2014: 'Handbuch der bilateralen TZ Verfahrensinformation Nr. VI0362014 'Eckpunkte zur Instrumentenintegration'

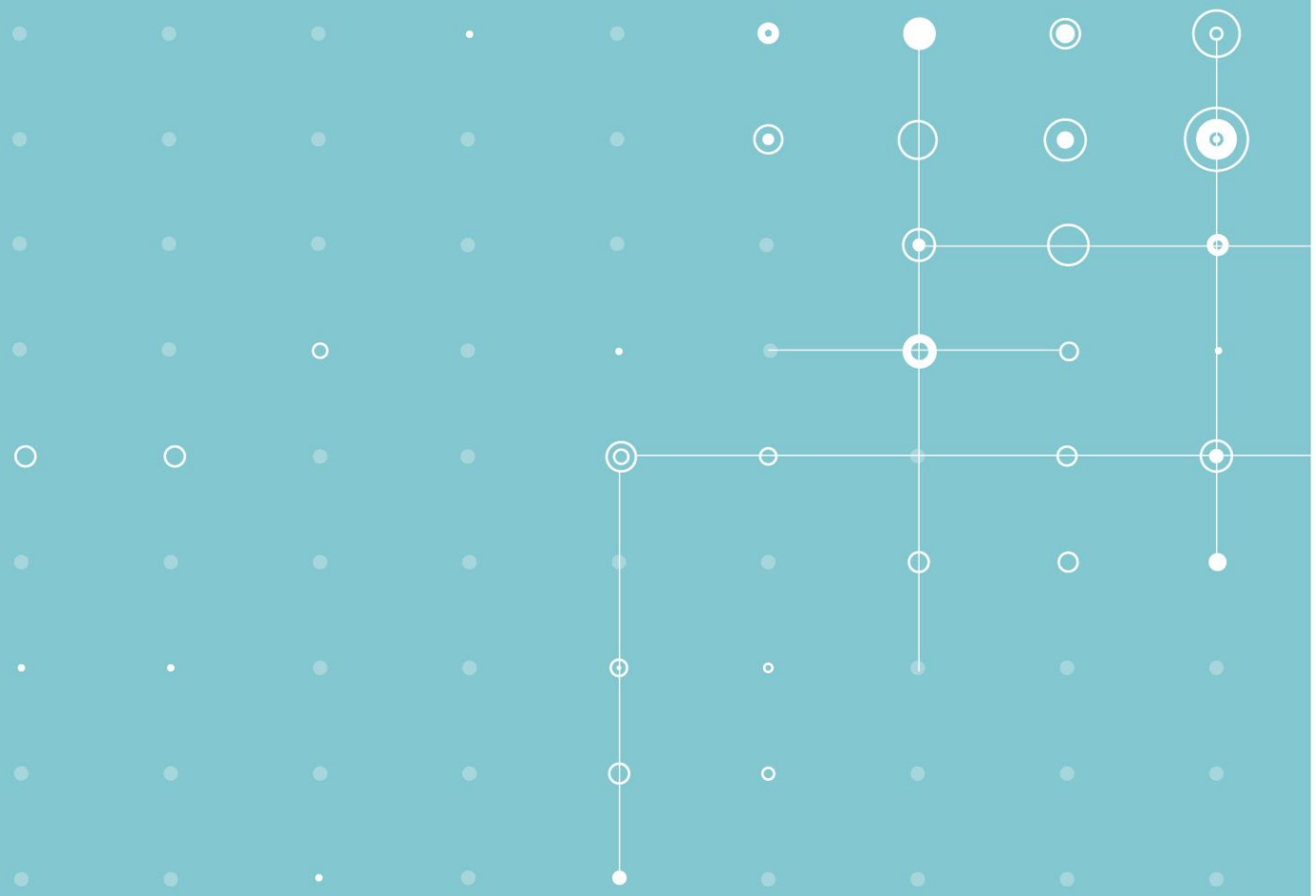
Sustainability

OECD DAC Criterion Sustainability - Will the benefits last?

The 'sustainability' criterion relates to continued long-term benefits (at the outcome and impact level) or the probability of continued long-term benefits – taking into account observed or foreseeable risks – over time, particularly after assistance has ended.

Assessment dimensions	Question Type	Application in this evaluation	Evaluation questions	Clarifications	GCF Evaluation Questions GCF mid-term review: qualitative assessment only for Sustainability, no quantitative rating
Capacities of the beneficiaries and stakeholders ***GCF mid-term review: limited focus on this dimension, rather prognosis informing assessment of dimension 2***	BMZ Standard	Mandatory	To what extent do the beneficiaries and stakeholders (individuals, groups and organisations, partners and executing agencies) have the institutional, human and financial resources as well as the willingness (ownership) required to sustain the positive results of the intervention over time (once assistance has drawn to a close)?	• Transitional Development Assistance (TDA) projects primarily address final beneficiaries, whose resilience to crises and recurring shocks is to be strengthened. The focus for TDA projects is thus often on the resilience of final beneficiaries and/or at least the continuity of the measure (see explanation in dimension 3) (clarification in the inception phase of the evaluation).	Are the actions and results from project interventions likely to be sustained, ideally through ownership by the local partners and stakeholders?
	BMZ Standard	Mandatory	To what extent do the beneficiaries and stakeholders (individuals, groups and organisations, partners and executing agencies) have the resilience to overcome future risks that could jeopardise the intervention's results?		
Contribution to supporting sustainable capacities ***GCF mid-term review: focus on this dimension***	BMZ Standard	Mandatory	To what extent has the intervention contributed to the beneficiaries and stakeholders (individuals, groups and organisations, partners and executing agencies) having the institutional, human and financial resources as well as the willingness (ownership) required to sustain the intervention's positive results over time and to limit the impact of any negative results?	• Analysis of the preparation and documentation of learning experiences • Description of the anchoring of contents, approaches, methods and concepts in the partner system • Reference to exit strategy of the project • If there is a follow-on project, check to what extent the results of the evaluated project are taken up; the anchoring of the effects in the partner's organisation should be pursued independently of a follow-on project, since sustainability should be achieved even without donor funds • Transitional Development Assistance (TDA) projects primarily	• Were the modes of deliveries of the outputs appropriate to build essential/necessary capacities, promote national ownership and ensure sustainability of the result achieved? • How effective were the exit strategies and approaches to phase out assistance provided by the project including contributing factors and constraints?

				address final beneficiaries, whose resilience to crises and recurring shocks is to be strengthened. The focus for TDA projects is thus often on the resilience of final beneficiaries and/or at least the continuity of the measure (see explanation in dimension 3) (clarification in the inception phase of the evaluation).	
	BMZ Standard	Mandatory	To what extent has the intervention contributed to strengthening the resilience of the beneficiaries and stakeholders (individuals, groups and organisations, partners and executing agencies)?		
	BMZ Standard	Mandatory	To what extent has the intervention contributed to strengthening the resilience of particularly disadvantaged groups? (These may be broken down by age, income, gender, ethnicity, etc.)		
Durability of results over time	BMZ Standard	Mandatory descriptive learning question	*How stable is the context in which the intervention operates?*		
	BMZ Standard	Mandatory descriptive learning question	*To what extent is the durability of the intervention's positive results influenced by the context?*	• Consideration of risks and potentials for the long-term stability of the results and description of the reaction of the project to these	• Which factors of the project achievements are contingent on specific local context or enabling environment factors? • What are the key factors that will require attention in order to improve prospects of sustainability, scalability or replication of project outcomes/outputs/results?
	BMZ Standard	Mandatory	To what extent can the positive (and any negative) results of the intervention be deemed durable?	• Consideration of the extent to which continued use of the results by partners and beneficiaries can be foreseen • Reference to conditions and their influence on the durability, longevity and resilience of the effects (outcome and impact) • In the case of projects in the field of Transitional Development Assistance (TDA), at least the continuity of the measure must be examined: To what extent will services or results be continued in future projects (of GIZ or other donors/organizations) or their sustainability ensured? (Clarification in the inception phase)	



Disclaimer:

This publication contains links to external websites. Responsibility for the content of the listed external sites always lies with their respective publishers. When the links to these sites were first posted, GIZ checked the third-party content to establish whether it could give rise to civil or criminal liability. However, the constant review of the links to external sites cannot reasonably be expected without concrete indication of a violation of rights. If GIZ itself becomes aware or is notified by a third party that an external site it has provided a link to gives rise to civil or criminal liability, it will remove the link to this site immediately. GIZ expressly dissociates itself from such content.

Maps:

The maps printed here are intended only for information purposes and in no way constitute recognition under international law of boundaries and territories. GIZ accepts no responsibility for these maps being entirely up to date, correct or complete. All liability for any damage, direct or indirect, resulting from their use is excluded.



Deutsche Gesellschaft für
Internationale Zusammenarbeit (GIZ) GmbH

Registered offices:
Bonn and Eschborn

Friedrich-Ebert-Allee 32 + 36
53113 Bonn, Germany
T +49 228 44 60-0
F +49 228 44 60-17 66

Dag-Hammarskjöld-Weg 1-5
65760 Eschborn, Germany
T +49 61 96 79-0
F +49 61 96 79-11 15

E info@giz.de
I www.giz.de

giz Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH

Green Climate Fund
Department of Monitoring,
Evaluation and Learning (DMEL)
OCSIO.DMEL@gcfund.org