

PROJECT IMPLEMENTATION REPORT (PIR) FY 2021

**GEF - IDB
PIR # 5**

IMPORTANT: The reporting period is GEF Fiscal Year (July 1st, 2020, to June 30th, 2021)

PROJECT GENERAL INFORMATION

Project Name:	Climate Technology Transfer Mechanisms and Networks in LAC				
Project's GEF ID:	4880	Project's IDB ID:	RG-T2384	Overall Stage:	Closed/Pending TCMFR
Country/ies:	Argentina, Costa Rica, Dominican Republic, Ecuador, Guatemala, Mexico				
GEF Focal Area:	Climate Change, Climate Change Adaptation				
Executing Agency:	(i) CENTRO AGRONOMICO TROPICAL DE INVESTIGACIONES Y ENSEÑANZA; (ii) FUNDACION BARILOCHE; (iii) INTER-AMERICAN DEVELOPMENT BANK (iv) INSTITUTO NACIONAL DE ECOLOGÍA and (v) WORLD RESOURCES INSTITUTE				
Project Finance:	Total disbursements of GEF Grant resources as of end of June 30th, 2021 (cumulative)			US\$10,898,999.68	
Project Dates:	Date of First Disbursement			6/10/2015	
	Agency Approval Date			12/17/2014	
	Effectiveness (Start) Date			12/17/2014	
	Original Last Disbursement Expiration Date ¹ (OED)			10/8/2018	
	Current CED			10/8/2020	
	Estimated Operational Close Date ² (EOC)			1/6/2021	
Project Evaluation:	Mid-term Date (Expected)			11/30/2018	
	Terminal evaluation Date (Expected)			7/27/2021	

¹ For the GEF, this is equivalent to the project's "Expected Completion Date".

² For the GEF, this is equivalent to the project's "Expected Financial Closure Date".

DEVELOPMENT OBJECTIVE RATING (DO) & ASSESSMENT

Make an overall assessment and provide a rating³ of “likelihood of achieving project objective” during the period (2020-2021). Describe any significant environmental or other changes attributable to project implementation.

Project Objective: The objective of the Project is to promote the development and transfer of EST in LAC, to contribute to the ultimate goal of reducing GHG emissions and reducing the vulnerability to climate change in specific sectors in LAC. The Project’s strategy is to build the national capacities to identify, assess, develop, and transfer EST, focusing on: (i) the promotion of and support to regional collaborative efforts; (ii) the support to planning and policy-making processes at national and sectoral levels; (iii) the demonstration of enabling mechanisms; and (iv) the mobilization of private and public financial and human resources.

OVERALL ASSESSMENT (DO)	RATING
<p>The overall Project Development Objective was rated as "satisfactory", having executed the 100% of the total budget. The terminal evaluation of the GEF Climate Technology Transfer project was concluded (link). However, to finalize all the activities, auditing processes and final reports, two extensions of the last day of disbursement were requested.</p> <p>The Project’s implementation included 5 executing agencies (EAs) each responsible for a set of activities and sectoral scopes. They responded in-country originated requests and supported the identification and prioritization of sector-specific Environmentally Sound Technologies (EST), as well as dissemination of results obtained. The final period focused on the implementation of mainly energy projects throughout the region. Also, during this time, the Transport and Energy sectors estimated benefits and established final recommendations.</p> <p>The Project contributed sufficient elements to showcase the "state of the art" of environmentally sound technologies in the region and provided a sound bases for determining actions aimed at promoting their development and transfer. The Project demonstrated there is great potential for working on these themes in the region, for example, supporting the countries in relation to the commitments they assumed under the NDCs. The results of the different studies largely point at the existence of favorable conditions for the development and transfer of environmentally sound technologies, although there are great differences between countries in terms of permits and leverage factors.</p>	<p>S</p>

PROJECT STATUS UPDATE

At Project’s closure, implementation progress and results have been rated satisfactory overall, having executed 100% of the total budget. Implementation arrangements include 5 Executing Agencies (EAs), each responsible for a set of activities and sectoral scopes. The EA in charge of Policy & Capacity, finished executing activities in May 2019. EAs implementing Forest Monitoring and Agriculture activities finalized execution

³ See Annex 1: Definition of Ratings.

in June 2020 and the two EAs in charge of Transport and Energy activities finished in December 2020. A summary of the last activities of the project can be found in Findings & Recommendations GEF Performance Ratings - Overall/Progress/Risk sections.

The final evaluation was completed in June 2021. In summary, activities during the last year included the finalization of the last studies, the socialization of the results obtained, and the systematization of lessons learned. Specific recommendations were provided during the last webinars per sector: forest monitoring ([link](#)), agriculture ([link](#)), transport ([link](#)), energy ([link](#)).

Due to the COVID 19 pandemic, some activities for the last period of the project, such as interviews and meetings and the terminal evaluation, which were originally planned to be carried out in person, were made remotely. More importantly, the countries' responses to the health and economic crisis will presumably impact their governments and sectors' short-term policy priorities and decisions regarding how to move forward (or not) with the proposals originated by the project.

IMPLEMENTATION PROGRESS RATING (IP) & ASSESSMENT

Insert here an assessment and provide ratings⁴ of overall Implementation Progress, including information on progress, challenges, and outcomes on project implementation activities from July 1st, 2020, until June 30th, 2021. **As applicable, please include information on issues and solutions related to COVID-19.**

OVERALL ASSESSMENT (IP)	RATING
<p>At project closure, its implementation progress was rated as satisfactory and relevant overall. During this last period, the final energy and transport activities were concluded.</p> <p>The Energy sector - Fundación Bariloche (EA) disbursed 100%. Some of the most relevant sector studies, lessons learned, and recommendations were presented in an overview released at the beginning of 2021 (link). It includes a summary of the problems faced by the LAC countries to remove the barriers for the implementation of climate change technology projects.</p> <p>Through GEF Fiscal Year (2020-2021) six webinars to disseminate the results of the following studies took place:</p> <ol style="list-style-type: none"> Contribution of the private sector towards carbon neutrality: Case of the Chilean Cement and Steel Industry. Commissioned by Chile's Energy Ministry. July 2020. A pilot project for energy labeling of housing in Buenos Aires, Argentina. Sept. 2020. An evaluation of isolated photovoltaic solar systems and their sustainability in rural areas in Colombia. Nov. 2020. A study on cogeneration from agro-industrial residual biomass of African Palm and rice husk in Ecuador, to promote the adoption of technologies that enable the sustainable use of the country's residual biomass to produce electricity. Nov. 2020. A comparative analysis of integral energy solutions for the Andean region of the Argentinean province of Mendoza, which sought to support the local public utility to replace the use of liquid fuels for energy supply. Dec 2020. 	<p>S</p>

⁴ See Annex 1: Definition of Ratings.

- f. The Energy Outlook for the Galapagos Archipelago, as an input to design the "Sustainable Energy Transition Action Plan for the Archipelago, 2020-2040". Dec. 2020.

Additionally, the following deliverables were finalized and presented:

- a. A national plan for regularization of connections to the electricity grid for vulnerable socioeconomic householders in Uruguay.
- b. An economic valuation of the energy potential of forest biomass in the Huetar Norte region of Costa Rica to promote the use of biomass as clean energy source.
- c. A presentation was held on the LEDS LAC platform (Aug. 2020), explaining a proposal for fiscal policy to boost distributed generation by use of solar generation in rural and urban areas in Guatemala.
- d. All the energy sector projects presentations, infographics and technical information are available on the Fundación Bariloche (executing agency) website.
- e. The Transport sector - WRI (EA) disbursed 100%.
- f. The final study of "Informal and Semiformal Services in Latin America: An Overview of Public Transportation Reforms" was published in 2020 ([Publication](#)). The region is well known as the "cradle" of bus rapid transit (BRT) systems. The prevalent semiformal transportation services are often overlooked or viewed in a negative light. The study proposed alternative approaches to large-scale reform, including improvements to semiformal services through mapping, digitization, driver training and other strategies. Improving access for all residents means investing in informal services as well as infrastructure and integrating them with the formal services when feasible ([Blog](#)).

RISK RATING & ASSESSMENT

Make any adjustments necessary to the assessment ratings⁵ of overall Project Risk⁶ that you provided in the last PIR (2019-2020). Please include details and remedial measures for High and Substantial Risks, specifying who will be responsible for these measures.

OVERALL ASSESSMENT (RISK)	RATING
<p>Overall, the risks identified in the design phase as "moderate" remained unchanged by the end of the Project. The only change is seen in 2020, when the COVID-19 pandemic was included as a risk, as it delayed some Project activities. The most relevant risks were the deficient coordination among EAs, the insufficient interest/support by national governments, the lack of interest in technology adoption by the private sectors, and the political and/or economic instability. Activities to engage with stakeholders and disseminate results should be planned to identify likely investment opportunities since the beginning of the project.</p>	<p>M</p>

⁵ See Annex 1: Definition of Ratings.

⁶ These should include risks identified at CEO Endorsement AND any new risks identified during implementation.

OVERALL ASSESSMENT (RISK)

RATING

Therefore, based on the final evaluation, more efforts were needed to:

- a. Facilitate the coordination between EAs.
- b. Promote collaboration with expert organizations in the region.
- c. Increase discussion opportunities to link initiatives to investment opportunities with financing products available through the Bank.

Every effort was made to ensure that the assistance requested by the different national agencies, was accurate designed to fill the country needs. However, the main challenge is to secure that the recommendations and tools developed are fully or partially adopted, as well as to ensure leverage of new funding and investments. The approach of building capacities in each country and sector proved essential to ensure the continuation of processes once the Project resources are depleted. Nonetheless, the sustainability perspectives for the investments after the closing of the project are not so clear.

STAKEHOLDER ENGAGEMENT

Please add information on any progress, challenges, and outcomes with regards to stakeholder engagement, based on the project's activities during its implementation through the 2020-2021 GEF Fiscal Year. **As applicable, please include information on issues and solutions related to COVID-19.**

All the stakeholders involved on the project gained the experience of working with different types of agencies and actors and learned to adapt the activities to the changing needs of the countries and sectors. The sector technical assistance funded by the Project were the result of a thorough interaction with key stakeholders. Country requests were only considered when submitted and supported by one or more national entities, and when aligned with national policies and priorities.

Likewise, results obtained under the Component "Development of National Policy and Institutional Capacities", followed an extensive regional dialogue. Even though this was the case, it is expected that political or economic instability and insufficient interest or support by national governments, and particularly COVID-19, will slow down or prevent the adoption of tools designed and recommendations provided by the Project.

It is also important to highlight that the involvement of private sector enhanced the development of some activities, resulting in the possibility to scale them up at the regional and national levels. Having said that, both lack of support from governments and of involvement of key stakeholders, can still become a major obstacle to ensure future technology adoption. Most initiatives developed shown the need to reduce the risk of the investment (and to ensure continuity).

Recommendations:

- Flexibility. Granting necessary extensions to the work plans, given unforeseen or involuntary changes, proved to be critical to providing support to the region in the best way possible. During the final phase of the Project, efforts to disseminate its results among stakeholders was a fundamental part of its' finalization.
- Creation of innovative ways to connect sector policy with financial mechanisms and private sector participation will be another key aspect for future projects.

GENDER

Please add information on any progress, challenges, and outcomes with regards to any and all gender-responsive measures that were undertaken in the project's activities during the 2020-2021 GEF Fiscal Year. Also: Were indicators on gender equality and women's empowerment incorporated in the project's results framework? (Yes/No). If applicable, include the indicator with its baseline, target, and current value (2020-2021).

No indicators on gender equality and women's empowerment were incorporated in the project's results framework. Some activities are including general assessments of gender-specific impacts and challenges of environmentally sound technologies (EST) adoption.

Recommendations:

- Future similar regional initiatives should actively include gender-related indicators in the project's results framework. This project would have benefited from incorporating a more gender responsive approach.

KNOWLEDGE

Please add information on knowledge activities and products developed in relation to the project (with GEF or non-GEF resources), with special emphasis on activities carried out during the 2020-2021 GEF Fiscal Year. **As applicable, please include information on issues and solutions related to COVID-19.**

During different stages of the implementation of the project, the executing agencies have highlighted the importance of designing a knowledge and communication strategy starting at the beginning of the project. Each activity financed by the Project contemplated the provision of training and/or workshops, as well as the publication or dissemination of knowledge products accomplished. Knowledge dissemination was an essential component of the execution.

The IDB's coordination team led and worked with the executing agencies' communications teams to disseminate the project's products: A total of nineteen publications prepared and released by the end of June 2021. Three project specific sections on the executing agencies websites will remain. Socialization of the sectoral results obtained (multiple workshops, webinars, conferences offered, and six final international webinars organized to share the energy, transport, forest monitoring and agricultural project's lessons learned.

During the last year of implementation four sectoral final webinars were offered: Forest Monitoring Oct 2020 ([link](#)); Agriculture Nov 2020 ([link](#)); Transport Dec 2020 ([link](#)); and Energy March 2021 ([link](#)).

Recommendations:

- During the last phase of the project, virtual events, publications, and dissemination of products were crucial to the project's completion. As a result, the executing agencies have been approached by different national institutions interested to learn more about their experiences across the region.

PROJECT MODIFICATIONS

Please report any significant modifications made to the project design since July 1st, 2020. (The basis for comparison is the Project Results Framework Matrix included in the original Request for CEO Endorsement Document.) This should be based on the Project Results Framework Matrix included in the original Request for CEO Endorsement Document.

CATEGORY	YES/NO	APPROVED BY	DESCRIPTION OF CHANGE AND EXPLANATION
Objective	No		
Outcome	No		
Output/Activities	No		
Other	No		

EXTENSIONS OR OTHER MODIFICATIONS

Has the project been granted any extension or other modification covered by the OA-420 from July 1st, 2020, until June 30th, 2021? If yes, please explain below. **As applicable, please include information on issues and solutions related to COVID-19.**

Yes. To finalize all the activities, auditing processes and final reports, **two extensions of the last day of disbursement were requested.**

LESSONS LEARNED / BEST PRACTICES

If the project generated any lessons learned or best practices during the 2020-2021 GEF Fiscal Year, please provide a short description. **As applicable, please include information on issues and solutions related to COVID-19.**

1. Operational Performance

- a. It is key to involve the EAs as early as possible in the design of projects since their presence in the territory and specific knowledge of the themes addressed enable a more efficient intervention. When this is not possible, during the inception period there should be as much flexibility and openness as necessary to fine tune, adjust, or rework the intervention strategy, indicators, etc. This is also necessary considering the time that typically separates the design from the implementation phase. In this Project, for example, due to a lack of adaptive management the design was not adapted to the conditions and opportunities derived from the Paris Agreement. In this regard, it should be noted that a change or adjustment to the design of a project not always means a failure; it should be rather viewed as a necessary adaptation to the changing needs and context.
- b. The implementation through EAs is considered a critical element for success, apart from offering a cost-effective management experience. The Project also offers a valuable lesson in terms of the possibilities offered by the synergies created between multilateral banks and the actors participating in the uptake of new technologies in the region. However, the staff allocated to the monitoring of the EAs was insufficient, combined with the problems seen in the induction and support systems of IDB, which was sometimes a barrier to the development of new forms, protocols, and tools necessary to manage projects with GEF.

- c. The absence of a unifying thread that could integrate the interventions, combined with the absence of governance and coordination spaces, contributed to an isolated and fragmented intervention. The lesson learned from this at the design level is the need for projects to secure governance through a steering committee. In addition, at the implementation level, the operation of spaces established for participation, like a technical committee, should be mandatory, rather than optional.

2. Development Performance

- a. In general, each EA worked side by side with the national institutions from different governments in the region. Working with such a varied group of countries showed that it is necessary to engage them in a differentiated manner. The Project enabled identifying different approach mechanisms aimed at ensuring the countries' ownership and use of results.
- b. The methodology used by WRI to select the activities to be implemented in each country is considered valid and appropriate. Thanks to the mechanism used, the governments assumed a sense of ownership in relation to the continuation of the proposed actions. The model involved identifying the requirements or interests of governments in the region and supporting them with a review of their respective Development Plans, NDCs, transport plans (local and national of each country), to prioritize a set of needs. As a result of this, an appropriate selection of the works to be done was possible.
- c. The execution of the Project through CATIE showed that for a project with little time and resources, it is more efficient to support actions that are already in progress and require strengthening, rather than implementing completely new actions. The Project's innovation approach was not limited to implementing something completely new, as it also transferred technologies that had already been tested in other places.
- d. Projects that foster technology transfer face challenges derived from high levels of uncertainty, so the implementation and design often rely on limited or inexistent information. In these cases, the process is possibly as important as the result itself, because innovation entails a learning process. In this regard, the Project evidences the need to have a flexible and adaptive approach to be able to take advantage of technical cooperation concessional resources with a high appetite for risk.
- e. The Project chose to strengthen and work with the existing cooperation networks, instead of proposing the creation of new ones, which demands committing to mobilize resources in the medium and long term for them to stay alive. The Project creates additional value through the creation of multiple platforms that convene a large number of key actors with a view to creating coalitions and sharing knowledge.
- f. Possibly, one of the most valuable lessons is that there is capacity to develop and transfer technology in the region. This type of projects has the role of building capacities to avoid a potential "full loss of competitive advantage for LAC". Building capacities in the region will prevent the future outflow of resources allocated to this type of projects (due to the hiring of consulting and advisory services from foreign organizations or institutes) and will enable investing those resources in concrete actions that will have a greater impact on the field.

Challenges

- a. The Project designed a roadmap for the adoption of energy efficient envelopes in buildings of the Dominican Republic. Even though it initially received political and economic support and ownership from the national government, there is no clarity if the recommendations and guidelines of the study will be adopted, or the proposed goals reached. The country is witnessing an overlap of functions and friction between the Energy National Commission and the Ministry of Energy and Mines; therefore, unilateral initiatives are being proposed/implemented and, in general, there is not a clear and consistent implementation path of a national energy efficiency plan. The Dominican Republic has a high potential to optimize energy consumption in its buildings using passive measures, so under this uncertain scenario, both mandatory component in national regulations and the awareness of users and construction companies, will play a decisive role to achieve significant climate benefits.
- b. The region still has a shortage of professionals with knowledge and broad expertise in climate change-sectoral specific topics. As an example, limited experts of climate change-resilient agriculture have been found, that could transform technical documents and knowledge into: (i) successful training and dissemination products; and (ii) actions on the field. Also, there is limited capacity of climate change planning modelling, that can attend the raising demand to prioritize climate technology in national policies.
- c. Several projects under execution, that require field visits and sampling, are experiencing significant delays given the mobility restrictions imposed in the region under the current COVID-19 pandemic. The Project and EA Coordinators are currently assessing alternatives to complete these activities in the best way possible.

Successes

- a. Participant interview from a workshop carried out in the city of Ibagué, Colombia on the topic of bike sharing systems financed by this TC: "In this workshop, I have learned to consolidate the concepts around bike-sharing systems under a systemic and holistic approach, which helps me improve the vision on how we structure and define public policy guidelines for bicycles in Colombia," said Daniel Pérez-Rodríguez, mobility and sustainable development advisor for the Ministry of Transport of Colombia. "This will allow me to identify more precisely the specific components of the value chain of a bike-sharing system in each of its stages of development."

- b. The Project intended to increase resilience in the agricultural production system in neglected Andean crops in Bolivia, Chile, and Ecuador, with a special focus in *Lupinus sp.* (*L. albus*, *L. angustifolius*, *L. luteus*). *Lupinus* is recognized by its high protein content, among other benefits to the soil and the ecosystem, but also for being a double-purpose crop since it is used both for human and animal consumption. The initiative joined several public and private organizations in each country, working with participatory and collaborative methodologies among scientists, farmers, and other actors in the value chain. The support provided by Ecuador National Institute of Agricultural Research to PROINPA and the Panaseri private company in Bolivia in the processing of the Andean *Lupinus* crop, is an example of how complementarity of expertise among the different members of a consortium can improve the quality of products. Main results include: (i) an increase in technical knowledge for soil and water management in family farms; (ii) increase in human consumption; (iii) increase in farm income; and (iv) improvement in the crop added value. Future development of policy design is expected to be launched in Bolivia.
- c. The project "Sustainable Behavior Standards of Buildings in the Galapagos Archipelago" was successfully implemented due to three main reasons: (i) Legitimate need for the assistance and willingness to continue the work by national and local authorities; (ii) Technical assistance aligned with national policies and sector regulation; and (iii) Competent consultant team with previous experience working with the beneficiary community. The inputs to define the sustainability standards for the Galápagos buildings were generated through co-creation workshops, where the national and local authorities, representatives of different associations and the community in general, were involved. This ensured that the proposal would accurately reflect the needs of the inhabitants of the Archipelago and would be widely accepted. The initiative has had a positive impact on two specific fronts. The results are currently being used as input to update the Ecuadorian Construction Standard (not only for Galapagos, but also for the coastal area of Ecuador). It has also served as a starting point to request EUROCLIMA resources to make a "living lab", of sustainable housing in the Galapagos Archipelago. The application has been selected for the call's second phase, where the sustainability standards designed under the project will be used to build the pilot.
- d. As part of the technical assistance given to Santiago de Chile's transit agency with the new business model implementation on a coming tender process for electric buses, the private sector was successfully involved in the brainstorming phase. The dynamic created a safe space for them to show their views and their participation made it possible to transform this into an appealing business model that was later adopted by the government. Also, besides the technical advice offered during the design phase, the constant support during the implementation process to a committed Chilean Transport Minister and her team, was the key to unlock the success.
- e. Rice is one of the more important crops worldwide for daily human consumption. Two initiatives under this project looked for testing the Rice Intensification System (SRI) in Colombia, Costa Rica, Dominican Republic, Panama, and Nicaragua. Several pilots' areas were implemented in each country, promoting a collaborative exchange of knowledge and technical experience on this new methodology for sustainable rice production. Pilots' areas included public and private organizations, which worked together in mastering the technique of the SRI. Main results of these first experiences in LAC were: (i) an increase in yield while decreasing crop density and water demand; (ii) increase in the adoption of a new mechanical system for rice planting; and (iii) several technical events and around 1500 people trained. Finally, Panama asked to scale-up this initiative at national level, and currently, a project proposal was developed together with IDIAP (the national research institution).
- f. SINAFLOR was recently recognized by IDB Brazil as a model of environmental governance, after having adopted forest monitoring technologies promoted by the Project.

- g. The executing agencies have highlighted the importance to have designed this project with an important degree of flexibility. The possibility to work with different types of agencies and actors and to adapt the activities to the changing needs of the countries and sectors, as well as to have granted necessary extensions given unforeseen or involuntary changes in work plans, have proved to be critical to assist the region in the best way possible.
- h. Climate technology transfer has been optimized by partnering with organizations and platforms that already successfully aggregate and work with experts and institutions in specific areas and objectives. This, for instance, has been the case of the Latin American Energy Organization (OLADE), for the energy sector; the Regional Low Carbon Development Strategies Platform for Latin America and the Caribbean (LEDS LAC), for transport and energy; and the association of National Institutes for Agricultural Research and Technology in the LAC region, for agriculture.
- i. The project finalized 26 case studies on the adoption of electric buses. Thanks to the project, Santiago de Chile's transit system's business model was designed and implemented. This model created an appealing environment for private sector investment in electric buses, which was adopted by the government. Also, besides the technical advice offered during the design phase, the constant support during the implementation process to a committed Chilean Transport Minister and her team, was key to unlock the success. Blogs:
- How Santiago de Chile Became a Global Leader on Electric Buses ([link](#)).
 - What's Holding Back Latin American Cities' Clean Bus Transition ([link](#)).
- j. In the transport sector, the study of "Informal and Semiformal Services in Latin America: An Overview of Public Transportation Reforms" was published in 2020. The region is well known as the "cradle" of bus rapid transit (BRT) systems; the prevalent semiformal transportation services are often overlooked or viewed in a negative light. The study proposed alternative approaches to large-scale reform, including improvements to semiformal services through mapping, digitization, driver training and other strategies. Improving access for all residents means investing in informal services as well as infrastructure and integrating them with the formal services when feasible ([Publication](#) / [Blog](#)).
- k. An initiative to promote the development and transfer of environmentally sound technologies that contribute to reducing vulnerability to climate change in the agricultural sector of Latin America and the Caribbean.

ANNEX 1. DEFINITION OF RATINGS

Development Objective Ratings

1. **Highly Satisfactory (HS):** Project is expected to achieve or exceed **all** its major global environmental objectives, and yield substantial global environmental benefits, without major shortcomings. The project can be presented as “good practice”.
2. **Satisfactory (S):** Project is expected to achieve **most** of its major global environmental objectives, and yield satisfactory global environmental benefits, with only minor shortcomings.
3. **Marginally Satisfactory (MS):** Project is expected to achieve **most** of its major relevant objectives but with either significant shortcomings or modest overall relevance. Project is expected not to achieve **some** of its major global environmental objectives or yield some of the expected global environment benefits.
4. **Marginally Unsatisfactory (MU):** Project is expected to achieve **some** of its major global environmental objectives with major shortcomings or is expected to achieve only **some** of its major global environmental objectives.
5. **Unsatisfactory (U):** Project is expected **not** to achieve **most** of its major global environment objectives or to yield any satisfactory global environmental benefits.
6. **Highly Unsatisfactory (HU):** The project has failed to achieve, and is not expected to achieve, **any** of its major global environment objectives with no worthwhile benefits.

Implementation Progress Ratings

1. **Highly Satisfactory (HS):** Implementation of **all** components is in substantial compliance with the original/formally revised implementation plan for the project. The project can be presented as “good practice”.
2. **Satisfactory (S):** Implementation of **most** components is in substantial compliance with the original/formally revised plan except for only a few that are subject to remedial action.
3. **Marginally Satisfactory (MS):** Implementation of **some** components is in substantial compliance with the original/formally revised plan with **some** components requiring remedial action.
4. **Marginally Unsatisfactory (MU):** Implementation of **some** components is not in substantial compliance with the original/formally revised plan with **most** components requiring remedial action.
5. **Unsatisfactory (U):** Implementation of **most** components is not in substantial compliance with the original/formally revised plan.
6. **Highly Unsatisfactory (HU):** Implementation of **none** of the components is in substantial compliance with the original/formally revised plan.

Risk ratings

Risk ratings will assess the overall risk of factors internal or external to the project which may affect implementation or prospects for achieving project objectives. Risks of projects should be rated on the following scale:

1. **High Risk (H):** There is a probability of greater than 75% that assumptions may fail to hold or materialize, and/or the project may face high risks.
2. **Substantial Risk (S):** There is a probability of between 51% and 75% that assumptions may fail to hold and/or the project may face substantial risks.
3. **Modest Risk (M):** There is a probability of between 26% and 50% that assumptions may fail to hold or materialize, and/ or the project may face only modest risks.
4. **Low Risk (L):** There is a probability of up to 25% that assumptions may fail to hold or materialize, and/ or the project may face only modest risks.