



EU-GIZ ACSE Project Progress Report

Project: Solar Hybrid Systems in Boarding Schools, Kiribati (KI8)

Grant Agreement: 81202071

Budget - €475,400 (EU-GIZ component only)

Project Mid-term Review Report

February 2018



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Purpose of Review

The purpose of the mid-term review was to check that a project is on track to achieve commitments set out in the project legal agreement.

The review was an opportunity to re-align the project to the objective, or change direction, if needed.

The review looked back in time, as well as forward, and considered risks and challenges as well as how to manage, or overcome, these.

Session 1 - Participants

The Pacific Community (SPC) implements the *Solar Hybrid Systems in Boarding Schools, Kiribati* project in partnership with the Ministry of Infrastructure and Energy (MISE) - Energy Planning Unit (EPU).

The Office of Beretitenti (OB) is the focal point, and hosts the EU-GIZ ACSE ICC. The GIZ Pacific office in Suva provides additional technical and administrative support to the project.

The local (in country) stakeholders of the project are the Alfred Sadd Memorial College (ASMC), Kiribati United Church (KUC) administration (who oversee ASMC), the Meleang Taabai Secondary School (MTSS) and Ministry of Education (MoE). The project considers higher-level officials in OB and MISE also to be stakeholders.

Koin Etuati, EU-GIZ ACSE Project Manager (SPC PM) at The Pacific Community (SPC), and Craig Bohm, GIZ Technical Advisor (GIZ TA) undertook the main part of the review in Suva.

Further input was then sought, by email, from Tarakabu Tofinga, EU-GIZ ACSE In-Country Coordinator (ICC) for Kiribati, Mwaati Toromon, Conventional Energy Planner, and Kireua Kaiea, Senior Energy Planer, both with the Energy Planning Unit (EPU), Ministry of Infrastructure and Sustainable Energy (MISE).

The GIZ TA and SPC PM decided that this mode of carrying out the review was necessary because:

- The wider project team and relevant stakeholders were geographically separated, being located on South Tarawa, Abemama Island, Tabuaeran Island and in Fiji;
- Most stakeholders in government or at the schools have only had sporadic contact with the project and nothing to do with the projects overall management and implementation; and
- The project had no dedicated funds to bring stakeholders together for the mid-term review meeting.

If the project has sufficient funds towards its conclusion, the project would facilitate a final project evaluation meeting with stakeholders on South Tarawa, Kiribati.

Session 2 - Achievements Summary to Date

- Brainstorm the major achievements to date and list them.

Project Component	Major Achievement
1. ASMC School - Energy	Energy and Gender Baseline Surveys Solar PV hybrid design completed Solar PV hybrid tender package compiled
2. MTSS School - Energy	Energy and Gender Baseline Surveys Energy distribution network and channel plan
3. MTSS School - Water	Water and Gender Baseline Survey

	Other: St Leo College Rapid Assessment (as a possible alternative school to MTSS, if MTSS closes).
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Session 3 - Expenditure and Budget Review

- Finance Officer presents a summary of the overall budget situation.

Component	Key budget points
General Situation	<p>The project has spent EUR 40,000 (8.4%) of a total budget of EUR 475,400 as of December 2017. This includes expenditure against activity, personal and administrative costs.</p> <p>Most activity costs have been for baseline assessment and system design.</p> <p>Most expenditure is planned to occur during procurement and installation planned for the second half of 2018.</p> <p>A lack of decision on the future of MTSS, which has been closed due to an asbestos issue, may cause delays in the expenditure of about one thirds of the budget.</p> <p>No call for disbursement has been made in the project, but as the total of the first advance payment has been spent, a call is due now.</p>
Component 1	<p>During the review meeting, the SPC PM and GIZ TA revised the procurement and installation budget for ASMC. This is presented in table below. The anticipated system costs were EUR 30,000 more than budgeted, but savings were found to offset these additional costs. These offsets are also presented in the table.</p>
Component 2	<p>MTSS has a procurement and installation budget of EUR 174,369.00. The budget will be tight and will be reviewed once the design report is submitted from the EPU.</p> <p>This of course is pending the final decision from government about the MTSS school closure.</p>
Component 3	<p>MTSS has a water component with a budget of EUR 9,660.00, which is included in component 2. The initial water assessment of MTSS indicated plenty of needs for water systems. This component will be reviewed once the total cost of MTSS energy system is known.</p>

Table 1. ASMC Procurement and installation cost estimates

#	Item	EURO	Notes (also in EURO)
i	Equipment including extras	89,700	<p>PDD budget</p> <p>Note that the total equipment costs from the design report are expected to be approximately 127,000. Additional funds are required and these were drawn from the budget as outlined in (ii) below.</p>
ii	Extra budget	37,300	<p>2.6b – Commissioning fee not needed as government will do commissioning, so 8,460 moved</p>

			to equipment budget (still under construction budget line) 7.3a: Project Officer not needed, so 28,840 of savings moved to equipment budget (this will need a variation)
iii	Local Freight	3450	Transport from Betio to Abemama Island Note: 2017 charges for local freight to the same island of similar systems cost 3,300
iv	Installation	9660	Government installation team travel and per diem costs Note: Government estimates installation costs for team at 7300
v	Labour	2587	Local labour, if needed for digging channels for cables, building concrete pads for solar panels, or for constructing a fence around the solar array field.
vi	Plant	1900	Generator, welder, backhoe or other equipment
vii	Refurbishment	1350	Most refurbishments are complete and paid for by the school. This is extra budget in case additional refurbishments are needed to support installation.
	Total	145,947	

Session 4 - The Objective

The project should be delivering against the contracted objective. If this is not the case, then the team needs to bring the planned actions back in line with the objective or the objective needs to be formally changed. Changes to the contracted objective require a FORMAL project variation within the contract.

Questions	Responses
What is the stated objective in the Financing Agreement?	To establish solar-hybrid energy systems in two rural boarding schools, each sustainably operated and effectively meeting the current and predicted future needs of the school communities; and, helping achieve the Government's national renewable energy target for rural and private communities.
Is the project today still consistent with the objective as set out in the Financing Agreement?	Yes
If so, in what ways is the project consistent with the objective?	The project is still pursuing installation of solar hybrid systems and is actively working to ensure that they will be sustainably operated and meet the needs of the school communities.
Are there any risks to achieving the stated objective? If so, list them.	The risk is sustainably operated without proper maintenance schedule and backup servicing by EPU or private service providers, which does not exist in Kiribati. The main focal person for maintaining the systems are the principals who work mostly independent of the central administration of the schools, which is based in Tarawa. When the principals change, then the culture and systems of the schools can also change and the history forgotten. The project will develop a Governance Guide for each school, which includes a description of the history of the solar hybrid system, the approach and operational parameters. Standard Operating Procedures (SOPs), written in local language will also be developed from the hands-on training provided to school technicians.

Session 5 - Anticipated Outcomes

The projects anticipated outcomes are those set out in the Financing Agreement. If the anticipated outcomes change, then this needs to be reported clearly in the half-yearly technical report.

Questions	Responses
What are the outcomes planned as listed in the Financing Agreement?	<ol style="list-style-type: none"> 1. Two solar-hybrid energy systems installed, one in each targeted boarding school; 2. Technicians trained in installation and maintenance techniques;

	<p>3. Governance arrangements for each system strengthened; and,</p> <p>4. Skills of school communities in efficient renewable energy use enhanced.</p>
<p>Have any of the anticipated outcomes changed? If so, which ones? For each change, explain why.</p>	<p>No but there are challenges with achieving 2.3 and 4.</p> <p>The remoteness of the schools in Kiribati has given limited opportunity to engage with the school communities to carry out awareness and help them build a strong maintenance system and upskilling of the communities. The project was clearly under-budgeted for the high travel costs that this would entail. There is also logistical challenges with the SPCPM being based in Suva.</p> <p>The boarding schools in Kiribati are ‘revolving communities’, that is, the teachers and students change frequently. This means any training and mentoring is easily lost from the school in a relatively short time. The schools also rarely have written mechanisms or systems to pass on to incoming principals, teachers or students.</p> <p>Expectation on sustainability vary between stakeholders. The school would like the system to last indefinitely, EPU may expect the system to last five years and the system specification may put in 10 or more years on warranty components.</p>
<p>Has the team recorded these changes, and the rationale behind them, in the half-yearly technical reports?</p> <p>If not, record them here (and then in the next half-yearly technical report)</p>	<p>There are no changes, but more effective ways of achieving the outcomes are constantly being considered. The team had actively discusses what it wants to achieve and records its learning in its technical reports and mission reports.</p>

Session 6 – Project Outputs

List the project outputs and their status.

	Deliverable	Status
Output 1	3 System Designs completed	1 System Design completed – ASMC
Output 2	3 * System Procurements and Installations complete	1 Procurement Package for ASMC completed
Output 3	6 * Trainings held	2 trainings completed, one each at ASMC and MTSS

Output 4	2 * Governance Systems in place, one in each school	<p>Financial Governance</p> <p>Verbal agreement for sinking fund (financial) established at ASMC and MTSS from principals as well as central administrations.</p> <p>Sinking Fund establishment in practice needs follow up with schools. Plan was to open new bank accounts but both KUC and MoE say that this is impractical as they just have to establish a separate 'vote' within the current systems.</p> <p>This is all agreed too, but now has to be pursued as the systems are installed.</p> <p>The Operational Governance</p> <ul style="list-style-type: none"> • Project will develop SOP –Standard Operating Procedure in both English and I-Kiribati language for ASMC and MTSS, which will be additional to training of technicians and hand over of guides and warranty documents. <p>Planning and oversight – energy use system</p> <ul style="list-style-type: none"> • Discussion have been held with Governance Working Group within both ASMC and MTSS on planning and management of the systems once installed • • The team will produce an Energy System Governance Guideline for both ASMC and MTSS that includes history, philosophy (approach to renewable energy and conversion of diesel fuel money to solar hybrid maintenance, practicality (managing energy use) and messages for students, teachers and households, energy efficiency guide, etc. <p>During the review meeting, the content of the SOP and Governance Guideline were discussed at length.</p>
Output 5	1 * Project Monitoring and Evaluation system implemented	<p>Monitoring has been ongoing but still needs formalising into a plan document.</p> <p>The review meeting identified the following key monitoring outputs, as reflected in the project log frame and Monitoring and Evaluation Plan</p> <ul style="list-style-type: none"> - 2 Cost Benefits Analyses - 2 Gender and Energy Analysis Report - 2 Solar PV design reports - 2 Tender packages - 2 Procurement Reports - 2 Installation Reports - 2 Training Reports

		<ul style="list-style-type: none"> - 2 Operational and 2 Governance Plans - 2 Sinking Fund Account/Code established - 2 Commissioning Reports - 2 Asset Registers - 2 Hand Over Reports - 1 Mid-term Project Review Report - 1 Final Project Monitoring and Evaluation Report - 4 Annex 7 Technical Reports - 3 Financial Reports
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Session 7 - Project Management

There are a great many things to think about when managing a project. Staff and team considerations, government systems and decisions, technical matters (risk management) interacting with stakeholders and departments, reporting, time management, financial management and accountability.

A. The Team

- *How productive does the team feel, individually and together?*
- *Are communications within the team strong, fair, not so good, definitely need improvement?*
- *How are the decision making processes in the team? Are they clear, agreed to, need of some change?*
- *Discuss what works and what does not and make notes.*
- *Discuss what could work better.*
- *Does the team have any key recommendations as to how it can improve its effectiveness? If so, list the key ones:*

What works	What could work better	Key recommendations
GIZ, SPC and EPU has a good working relationship	Stronger working relationship with Education ministry as significant beneficiary and manager of energy installations	Needs to sit around with Education in terms of electricity grid at schools (JSS) and sinking fund and maintenance
Communications are generally good		
Decision making is generally collaborative	Decision making at times can be slow from other stakeholders	Decision on MTSS still pending
Team shares a common view of where the project is heading		
Financial good on disbursement and needs to work better on acquitting	Financial coordination in-country Financial reporting a bit slow due to miscommunication issues – access to internet	Invest more mentoring with finance officer
EPU works very professional with the solar PV design.		
		MOAs between schools and Government (MISE) to be sighted and signed

B. Communications

For each of the following target audiences, answer the following questions:

B.1 Government

Questions	Responses
Who are the target audiences in government?	Ministry of Education, Schools (MTSS as a government owned school) Ministry of Infrastructure and Sustainable Energy (MISE) Office of Beretitenti (OB) Kiribati National Expert Group (KNEG)
Is information sharing good and consistent between the project and the rest of government?	MOE are now aware of the project because of engagement on MTSS discussion but could do with further with engagement particularly with MISE and possible target of JSS MISE is partner to the project. At an operational level, communication is good but not strong at PS or ministerial level. OB – information sharing is good and consistent since ICCC is based there and project team updates and visit PS. KNEG –has been briefed about project and will receive updates from the ICC as he attends the KNEG meetings
Is the project producing the right/enough communication products and are they getting to the target audience in government?	MoE – Yes OB – Yes MISE – Yes KNEG - Yes
List any improvements that could be made.	MoE – Yes, but the team may arrange a workshop with MoE in the future to strengthen their knowledge of the renewable energy sector and its operation in Kiribati OB- Yes, the ICC has regular briefings with key OB staff including the Secretary MISE – A meeting with higher officials to brief them further about the project would be beneficial in the near future. KNEG – continue to keep them abreast of the project. Give them a presentation towards end of project

B.2 External Stakeholders

Questions	Responses
Who are the external stakeholders?	ASMC ASMC Administration on Tarawa

	Donors who invest in energy projects
Is information sharing good and consistent between the project and external stakeholders?	<p>ASMC is in communication with the project via the ICC and EPU. Information sharing has been OK, but as progress is slow, communications have not been that frequent</p> <p>ASMC Admin – project team has met with them to discuss sinking funds and the signing of an MoA, but will likely visit them again to brief them on the final project arrangements</p> <p>Donors – only via Pacific Energizer magazine</p>
Is the project producing the right/enough communication products and are they getting to the external stakeholders?	<p>ASMC – Yes</p> <p>ASMC Admin – Yes</p> <p>Donors – Yes</p>
List any improvements that could be made.	<p>ASMC – Follow up visit during system installation</p> <p>ASMC Admin – Need to follow up during installation to establish sinking fund system</p> <p>Donors – Lessons Learnt article in Pacific Energizer towards end of project and possible presentation/s at an energy functions (not yet identified)</p>

B.3 Contract holder

Questions	Responses
Who is the contract holder/s?	<p>GIZ</p> <p>European Union (EU)</p>
Is information sharing good and consistent between the project and the contract holder/s?	<p>GIZ – Yes, through reporting and close working relationship with GIZ Technical Advisor</p> <p>EU – Yes, through periodic reporting</p>
Is the project producing the right/enough communication products and are they getting to the contract holder/s?	The project has produced several output reports which have been shared with GIZ and the EU
List any improvements that could be made.	Be sure to meet with the new EU NAO and brief them about the project

C. Decision-making processes within the team and with others

Questions	Responses
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Write down what works.	Having a meeting in person with the team or with stakeholders usually resolve things fast
Write down what does not work.	When decision making goes to Ministerial level, progress slows due to procedural impediments and other government priorities
Take time now to discuss what could be done to improve on decision-making processes.	Make time in further in country visits to meet high level officials with decision making authority of the project to help improve their focus on the project

D. Processes for recording and managing issues and risk

Questions	Responses
Discuss how the team manages issues and risks. Does the system work?	The SPC PM, GIZ TA and ICC meet and forecasts issues and risks. These are captured Annex 7 technical report, GIZ TA reports them to GIZ. As issues arise, the SPC PM, GIZ TA or ICC take immediate and direct action to resolve the issue or address the risk. project manager usually takes direct action as issue
Summarise what does not work.	The core team tends to take immediate action but if there is a need to follow up actions over a number of weeks or months with government or schools, the team tends to get 'follow up' fatigue, from delayed responses, and can be a bit forgetful of the status of various matters, which creates some time slippage.
Update the project issues table.	To be updated as part of the next Annex 7 technical report end of March 2018.

E. Financial controls and budget management

Discuss how the financials are controlled and shared across the team.

Questions	Responses
Describe how the system works.	SPC PM tracks expenditure against activities. SPC Finance occasionally updates for the PM on total status of budget. SPC PM reports activity finances a in the technical report – Annex 7. SPC sends some operational funds to MISE
Write down what the main challenges are.	Settling accounts with EPU can be lengthy. Issues with getting receipts from island councils for EPU staff field visits, for example, can be very difficult. EPU finance officer is less familiar

	with SPC level of accounting, so more support is needed there. Note the Project is to commit its first settlement to GIZ so there are lessons learnt for the next advance.
Discuss ways of improving the system and write the main ones down.	Meet with the Finance Officer in Kiribati and mentor her in SPC accounting standards and help resolve non-receipting issues The project will now avoid Direct Warrants to outer island councils due to issues with receipting

F. Record keeping

Questions	Responses
Where does the team keep its records?	SPC Shared drive Final documents sent to GIZ for filing Final documents sent to PRDR team for uploading
Does the team centralise and backup the records?	Yes but not that regularly
Is there anything on individual computers that should go into a central project folder?	Yes
If you fell ill, could someone else access the information you have to do your job?	Yes, GIZ TA and SPC PM share same notes

G. Annex 7 Reporting

Questions	Responses
Is reporting timely?	Reports submitted within two months of deadline
What could the team do to improve the efficiency of reporting?	System seem to be working well

Session 8 - Gender

Questions	Responses
How is the project integrating gender considerations to its work?	3 gender assessments conducted (one in ASMC for energy component, and two in MTSS, one for energy component and one for water component).
Does the team disaggregate the project data by gender?	Yes

Does the team make any proper analyses made from these disaggregated data and useful subsequent application made from these data analyses in the project afterward?	<p>Yes - Gender considerations have been integrated into the design of the solar pv systems for the two schools. Capacity of systems reflects needs of all sectors of the school communities.</p> <p>If there are project savings, then the team will consider directing further funds towards infrastructure upgrades, which focus on safety and those at the school with the highest need, which from the gender assessments is likely to be women and children e.g. need for lighting over walkways and near toilet facilities, high quality water points close to cooking and washing facilities</p>
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Session 9 - Products

Questions	Responses
What is the status of products?	<p>A series of reports are complete and have been submitted to GIZ against the M&E plan</p> <p>The project is efficient at producing products as these are listed as outputs in the PDD.</p>
What are the major products planned for the second half of the project?	<p>Products include further design reports, installation reports, commissioning and handover reports, training report and final project evaluation (and learning) report. Operational plan/SOPS and Governance Plans/Guidelines will also be produced</p>

Session 10 - Media and Communications

Questions	Responses
Does the team record and communicate its successes and learnings with other?	<p>Pacific Energizer article complete</p> <p>Government media release of project launch complete</p> <p>Project notice in government circular</p>
What could the team do better during the second half of the project?	<p>Share products with managers of similar projects via Pacific Climate Change portal.</p> <p>Develop a follow up article in Pacific Energizer</p> <p>Write and update for the government circular</p> <p>Design a plaque for each school as part of launch planning</p> <p>Media release when systems installed</p> <p>Media release during commissioning and launch</p>

	Possibly organise a radio spot – Interview with EPU technicians on about the project and their work in the field. ICC could also participate.
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Session 11 - Sustainability

Questions	Responses
What aspects of the teams work will live beyond the life of the project?	Energy Efficiency and RE awareness Governance plan and SOP Sinking fund to be established and useful Some elements of the design elements may be taken to other systems Actual systems will last after the project (more than 5 years)
What will not?	Training on EE and system management
What else can we the team do to create sustainability in the project?	Strengthening relationship between MISE and MOE on project design and management Ensuring that Governance Guidelines are well written and presented to the school (to be translated)

Session 12 - Legacy

Questions	Responses
Do you personally want to leave something behind from this job?	A well designed system that includes needs of all communities and not just installation of infrastructure
Is there anything else the team can do to create a more enduring legacy from their work in this project?	If there are project savings, direct to travel and spend more time with school communities and also purchase useful relevant infrastructure – EE appliances, extra lighting or education materials – relevant books for remote islands

Session 12 - Workshop Summary and Evaluation

Questions	Responses
Summary of responses	The review meeting was a good chance to reflect on the issues relating to project that needs more attention It was good to systematically reflect back on how much has been achieved in the last year.

	<p>Would be nice to have more of the team available in a workshop format for the review but this was not practical.</p> <p>We need to strengthen the cross- team relationships and we could have probably resolved more issues and get more information about a range of project issues if the whole team had been available for the review meeting in person.</p> <p>Hopefully we will get strong feedback from rest of the team to this report</p>
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