

ETP MANAGEMENT RESPONSE TO DEFTEDGE'S EVALUATION REPORT

ETP management welcomes the report of the independent evaluation of ETP by DeftEdge. We find the evaluators have generally understood ETP's mandate and operations well. The report is fair and paints a notably positive picture of ETP progress to date. Areas for improvement were mostly already known and being worked on before the evaluation. We are grateful to DeftEdge and all ETP stakeholders who took time to respond to their surveys and questions.

We are pleased to note that ETP demonstrates strong relevance to the energy transition priorities of its target countries and the region. We also welcome the finding on effectiveness that ETP is progressing well towards its planned outcomes and that interventions and stakeholder engagement is effective. We agree that progress has been made on implementation challenges including staff capacity and UNOPS modalities and that reporting of results has improved but further strengthening is needed. We welcome the finding that ETP has demonstrated strong efficiency including fostering synergies and minimising duplication through effective stakeholder mapping.

We note and generally agree with the comments on sustainability. Political uncertainties and high counterpart staff turnover are a fact of life for all development interventions in the region, not just ETP. We agree that sustainability could be improved with longer term commitments, but this would require longer term financing commitments by funders as ETP cannot commit to projects which go beyond agreed funding envelopes. We welcome the positive comments on and examples of ETP impact. We agree that ETP integrates gender into its programming at a level appropriate for the types of intervention we do.

We have the following specific responses on DeftEdge's Conclusions and Recommendations:

Conclusion/Recommendation 1: Strategy

We agree that ETP should balance strategic planning with responsive engagement; this has already been agreed in principle with the Steering Committee (SC). We generally agree on an enhanced milestone approach, although milestones may need to be revised given the fast evolving context. Convincing quantifiable metrics for climate and economic impact attributable to ETP are desirable but challenging to achieve. We look forward to further DeftEdge's advice in the context of the RBMF. We consider our approach to managing operational risks through assessments in individual project proposals appropriate, but will consider if it could be further strengthened. Expanding ETP's portfolio to address emerging market and technological needs would require a substantial increase in funding. SC members have so far not indicated they favour broadening the portfolio in this way. The timeline for the new strategy depends on discussions with our SC.

Conclusion/Recommendation 2: Results Based Management

We generally agree that ETP's Theory of Change and RBMF need strengthening. We have already employed a retainer and extended DeftEdge's contract to assist with this. We also agree that this work needs to include the new Just Transition Strategic Objective. We reaffirm our commitment to assessing gender in a way proportional to our size and the nature of our operations. We do not agree to a general extension of the RBMF to cover wider Social Inclusion factors or to try to collect context specific data except where these are specific objectives of individual projects. Such an extension is likely to result in limited impact and be very expensive. ETP has no comparative advantage in this area compared to many of the other actors in the sector.

Conclusion/Recommendation 3: Monitoring and Reporting

We generally agree with this recommendation. We have already agreed a streamlined approach to program reporting and an outline approach to earmarked funding with the SC. The governance framework will be updated once the new strategy is agreed. We will discuss document sharing further with the SC within the constraints imposed by UNOPS.

Conclusion/Recommendation 4: Partnerships

We agree that strategic collaborations are crucial to ETP success and will focus on governments and other implementing partners in the eco-system. Given ETP's limited size and capacity, and the political delicacy, we doubt that engagement at sub-national level will be common. For private and financial stakeholders, we will prioritise the philanthropic network.

Conclusion/Recommendation 5: Knowledge Management

We will carefully consider options for improving the likelihood of sustainability. The downgrading to an underpinning Objective of the old Strategic Objective 4, which encouraged general knowledge and capacity not linked to other SOs, will help with sustainability as the knowledge and capacity will be more topical. Continuing our preference for involving local experts in projects helps build country capacity outside the government.

We will discuss all Findings and Recommendations and proposed timelines with the SC and agree how these should be reflected in our strategy and approach going forward.

Date: 17 December 2024

By: ETP Senior Management Team