

## UNIFIED RULE OF MONITORING AND EVALUATION

### **Article 1. Purpose of the unified rule of monitoring and evaluation**

1.1 The goal of the unified rule of project monitoring and evaluation (hereinafter referred to as the "rule") of JSC "Georgian Energy Development Fund" (hereinafter referred to as "Fund") is to implement project monitoring and evaluation and establish quality assurance mechanisms in these directions.

1.2 The rule establishes uniform procedures, methodologies and standards for project monitoring and evaluation.

1.3 The purpose of monitoring is to check the performance of the results defined by the project's tasks and activities, identify gaps and determine recommendations.

1.4 The purpose of the evaluation is to study the results and achievements of the project in detail and determine the possible impact.

### **Article 2. The tasks of the unified rule of monitoring and evaluation are:**

2.1 Based on the existing circumstances, preparation of appropriate advice and their timely delivery to decision-makers to enable and ensure the formation of priorities using this information.

2.2 Determining the extent to which the project results have been achieved, taking into account the priorities, objectives and intermediate results.

2.3 Determination of a specific monitoring procedure for the approved project.

2.4 Determination of persons responsible for projects.

2.5 Determination of the rules of coordination of activities and exchange of information with subsidiary companies on the existing project.

2.6 Determination of the issues (list) of the recommendation assessment regarding the project.

2.7 To ensure the increase of the accountability of the activities of the fund in relation to the project and the transparency of information about the project.

### **Article 3. Monitoring and evaluation approaches and principles**

3.1 The difference between monitoring and evaluation is manifested both in terms of methodology and periodicity, as well as in terms of purpose. However, the most important possible difference between them depends on the scale of project implementation.

3.2 Monitoring is focused on the achievement of the results of activities and tasks and their indicators, while evaluation is focused, among other criteria, on the results of the tasks, their impact and their corresponding indicators.

3.3 The unified rule of monitoring and evaluation includes two levels of indicators: activity and task. Task indicators measure the intermediate impact of an intervention and are directly related to the performance of activity indicators. On the other hand, activity indicators measure the activities implemented by the project.

#### **Article 4 Indicator monitoring plan**

4.1 The formal project implementation plan establishes the indicator monitoring plan, which provides detailed information about each indicator. For every project, an indicator monitoring plan is prepared separately, corresponding to activities such as: budget performance monitoring, procurement plan execution and monitoring, monitoring of key KPIs according to project technology (hydro, solar, wind, others), according to which the following information can be obtained for each indicator:

- ✓ name;
- ✓ description;
- ✓ unit of measurement;
- ✓ disaggregation/disruption;
- ✓ data source;
- ✓ method of data collection;
- ✓ frequency of data collection;
- ✓ Person/agency responsible for reporting.

#### **Article 5 Indicator Description**

5.1 In the indicator-monitoring plan, along with each indicator, a description of the indicator is provided. The persons responsible for the implementation of a specific activity will participate in the work on the description of indicators with activity.

#### **Article 6 Unit of measurement**

6.1 The unit of measurement of the indicator provides information about which units of measurement will be used to calculate a specific indicator/or receive information and how it is expressed - in numbers, percentages, amounts, etc.

#### **Article 7 Disaggregation/Dissolution**

7.1 For the overall picture and final results, wherever possible, data will be collected, analyzed and reported by gender, age groups, socially vulnerable groups, regions. Reporting through disaggregated information allows decision makers to see how different population groups benefit from the implementation of the plan.

7.2 In the indicator monitoring plan, it is indicated which indicator should be performed according to the breakdown, the received data will be analysed and reported in the format of the annual report.

#### **Article 8 Data source, collection method and frequency**

8.1 The data source is specified in the indicator monitoring plan. The primary source of data is the body implementing the activities.

8.2 For the collection of data on priority and task indicators, in addition to the data submitted by the agencies, secondary data sources such as reports received from various agencies, organizational records, National Statistical Service of Georgia can be used.

8.3 The frequency of data collection depends on the indicator. Data will be collected on a monthly basis for task indicators and on a 6-month basis for activity indicators.

#### **Article 9 Person responsible for reporting/structural unit**

9.1 The project management department is responsible for the reporting of task and activity indicators, taking into account that different departments may be responsible for the execution of individual actions that make up the task.

#### **Article 10 Plan of basic and target marks of the indicator**

10.1 Indicators monitoring plan uses the relationship between baseline and target indicators.

10.2 A target indicator is an assumption made at the time of writing the plan, what is planned to be achieved as a result of the performance of each measure. The baseline indicator is the initial indicator against which monitoring and evaluation should measure whether the target indicators were correctly defined and fulfilled.

10.3 Baseline and target indicators are determined based on the information received and analyzed in previous years.

10.4 If, during the implementation of the action plan, the base indicator was changed or revised, the target indicator should be changed accordingly.

10.5 In connection with making changes in the base and target indicators, the issue should be discussed by the fund's management board.

#### **Article 11 Data quality**

11.1 In the monitoring process, data quality must meet certain standards such as validity, reliability, timeliness, accuracy and completeness.

11.2 Persons responsible for data collection shall ensure the quality of such data.

#### **Article 12 Performance of indicators**

12.1 The performance indicator framework should be evaluated year by year against the target indicators.

Achievement of performance indicators is determined by the percentage performance of each of the following task indicators (performance indicators).

12.2 Performance of the indicator will be considered successful if it is performed by at least 75%. If the performance of the main performance indicator is less than 75%, it will be considered that the indicator has not been fulfilled.

12.3 The performance indicator is a constituent part of the annual report. Actionable corrective measures need to be defined to reflect the planned and final target indicator for the following years.