

## Action Taken on the Comments Provided on the draft approach paper for the GEF EO CCM Impact Evaluation

Michael Spilsbury (UNEP), Siv Tokle (World Bank), N. H. Ravindranath (STAP) and GEF Secretariat provided comments on the draft approach paper. Where possible these comments and suggestions have been addressed in the revised version of the approach paper. In this note, the actions taken on the comments received from the agencies, STAP and the Secretariat have been documented. The table presents the comment and action taken by the evaluation team to address it.

Commenter	Comment	Action Taken
UNEP (Michael Spilsbury)	"UNEP has few comments on this approach paper, it is generally well-written and articulates a pragmatic approach. The main challenge to be faced in undertaking this impact assessment will be to develop credible counterfactuals with regard to GEF influence on market transformation. This is an essential challenge to overcome if the evaluation is to make a compelling case for any transformation-related GHG emission reduction benefits. Currently the approach paper lacks detail on this issue."	<p>As noted by UNEP development of counterfactual would be a challenge. No substantive change has been made in the approach paper to provide greater details on this. The approach paper mentions that where possible the counterfactual for project impacts will be estimated through use of (model based) shifting/dynamic baselines. The evaluation team will use the model being developed by the STAP to estimate the shifting baseline.</p> <p>UNEP had also identified typos separately in track changes mode in draft approach paper. These have been incorporated in the revised version of the approach paper.</p>
World Bank (Siv Tokle)	Paragraph 5 and throughout the document: "Assess contributions of GEF supported activities to GHG emission reduction"; add "and avoidance"?	The term "avoidance" has been added.
World Bank (Siv Tokle)	Paragraph 5 and throughout the document : The focus on "relevant markets" may need more clarification, as markets can be very large, and projects would normally target a specific 'sub-market' rather than a market of national scope.	The term "markets" has been clarified through addition foot note number 8 in the revised version of the approach paper. It clarifies that the targeted markets could be national as well as sub-national. The boundaries for the market that would be assessed would be based on how it has been defined in the project documents.
World Bank (Siv Tokle)	Paragraph 7: "...These estimates, among other things, would take into account the shifts in the baseline during the period ...". What baseline will you use? A specific one per project (as per the project design); a national one of GHG emissions, or other?	Project baselines will be used.
World Bank (Siv Tokle)	<b>Paragraph 7:</b> "The evaluation would determine a reliable ex-post estimate of GHG emissions reductions achieved by GEF projects covered through the evaluation." This is ambitious. We are not sure you can reassure in advance that the estimate will indeed be 'reliable', given that we are still dependent on assessments and calculations of various methodologies and especially if you are looking at indirect effects. Suggest omit 'reliable'?	The term "reliable" has been deleted – although it remains an aspiration for the evaluation.

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World Bank (Siv Tokle)	Paragraph 8: suggest defining 'environmental stress reduction and co-benefits', terms not normally used in climate change.	The terms have been explained through footnote number 10.
World Bank (Siv Tokle)	Paragraph 9 : "up-streaming that lead to impacts" ? Do you mean 'up-scaling'?	The typo has been corrected.
World Bank (Siv Tokle)	Paragraph 7, 18-20 and elsewhere. The scope on assessment of incremental reasoning in this context is not convincing. One of the objectives of the evaluation seems to be to 'address... the extent support provided by the GEF conforms to incremental reasoning (paragraph 7)." Incremental cost reasoning is something that is undertaken at project design and approval to justify the GEF grant; to assess that reasoning seems more of a procedural aspect that does not fit in an impact evaluation. Once the project starts, it becomes part of the activity to reach results and an assessment ex-post <i>how incremental it was</i> becomes moot (or alternative scenario, counterfactual) and does not add much value to knowledge in our view. As you will assess <i>all</i> the results (not just the incremental ones) why introduce this scope? Further, we do not see that other evaluations have analyzed conformity with the IC as standard; why add here only? ¶ Paragraph 20 is unclear; "CCM projects aim at GHG emission reduction and therefore could be compared in terms of their achievements on this front" (compared to what? To other projects ? – but many also do GHG reduction. Why is doing GHG reduction linked to comparability?). "When this principle is not taken into account, biases tend to affect an assessment ..." (what kinds of biases?). The example provided is not straightforward that "incremental costs tend to be more obvious for renewable energy projects". "Without accounting for such differences in nature of incremental costs involved, comparisons between different sets of projects would be difficult;" still very unclear how you will apply a theoretical concept such as IC to these comparisons in practical terms. Paragraph 41 "the evaluation would look at the GEF interventions covered through this evaluation from an incremental cost principle perspective" is also not clear.	Text has been added to explain that the GEBs of the CCM projects can be boiled down to CO2 emission reduction and avoidance. This makes comparison of emission reduction and avoidance possible across projects. This is not the case with other focal areas. It has been further clarified that incremental principle would be taken into account to generate hypothesis for future work of the Evaluation Office and would be added as a caveat when comparisons are made across projects that are different in nature and have distinguished incremental logics.
World Bank (Siv Tokle)	Paragraph 27, figure 2; please explain the selection of sectors, and how the projects were classified. These do not seem to correspond to normal sectoral break-down or GEF priorities (energy generation/ supply, industrial, building, transportation and forestry).	Explanation has been added in the section on GEF CCM portfolio.

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World Bank (Siv Tokle)	<p>Paragraph 28, same, please explain the selection of generic strategies that address CCM, as these do not seem to fit the GEF strategic priorities, and how the projects were classified - i.e. demand reduction (energy efficiency) and renewable energy, carbon sequestration, fuel switch and GHG conversion (=?). It is too simplistic to equate energy efficiency with demand reduction.</p> <p>Paragraph 29, same, suggest to explain the selection of "activities undertaken as part of GEF projects", and how the projects were classified - capacity development, development of legal, policy and/or regulatory measures, establishment of ESCOs; and transfer of technologies.</p>	Explanation has been added in the section on GEF CCM portfolio. A companion note on portfolio analysis that provides details on the portfolio and how classification was done is also being uploaded to the GEF EO webpage on the evaluation.
World Bank (Siv Tokle)	Paragraph 30: "These agencies assist eligible governments, and NGOs..." - please add 'private sector'. Also, please correct 'World Bank' to World Bank Group, since we assume that you will include IFC projects in the evaluation.	This has been added in the revised version.
World Bank (Siv Tokle)	Paragraph 31; While we agree that the project available terminal evaluation reports should be used, as a sufficiently large pool of projects where it is realistic to expect evidence on emerging long-term impacts, please add caveat of the age of such projects and the different focus than for the current portfolio, as the GEF priorities have shifted over time.	Suggested caveat has been added.
World Bank (Siv Tokle)	Paragraph 36, "...transformation of other CCM relevant markets may also be assessed"; such as, which markets may you consider?	This has been added.
World Bank (Siv Tokle)	Paragraph 55. "...China has also been covered through several recent evaluations"; which and which will you use for this evaluation?	No change. The quoted text is mentioned within the context of evaluation fatigue and not to indicate coverage that is relevant to CCM evaluation.
World Bank (Siv Tokle)	The tables in this section are not very informative to us, because there is no overall list of portfolio. What are the yellow cells in Table 4? What is the scoring in Annex 1? Summa summarum, it would be indispensable to include a list of the projects covered by the <i>evaluendum</i> and field work. (i.e. paragraph 57, which projects in transportation, wind energy, and energy efficient buildings in the 4 countries?), and in addition, for India and Mexico - biomass based energy, biogas - that may also be covered? Or paragraph 59 - transportation and wind energy (both China); and buildings (China and Russia)?	Annex 3 that lists the projects to be covered through the field work has been added to address this concern.
World Bank (Siv Tokle)	Paragraph 57 and elsewhere; please clarify what the field work may consist of?	The ROTI methodology has been noted in the text.
World Bank (Siv Tokle)	We are again concerned that the list of Stakeholder Involvement is inadequate. It is disconcerting that countries, projects and Agencies are not mentioned, except through the CC Task Force.	Additional text has been added to accurately reflect the targeted stakeholders of the evaluation.

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STAP (N. H. Ravindranath)	I really like the idea of focusing the major emerging countries (actually major emitters). But some countries could seriously object to this, especially these countries, they may get even upset?. So my suggestion is to include the concept of "Increasing energy access with low carbon impact", an example would be "Africa lighting project"	Market transformation is a key thrust of the GEF so it is appropriate as a focus. Lighting has already been covered through several impact evaluations undertaken by the World Bank.
STAP (N. H. Ravindranath)	The biggest methodological challenge is "attribution" of what is happening with respect to market development to GEF projects. Countries like India and China have so many very large scale domestic RE and EE programs, policies and financial incentives, how can attribution be made to GEF???	To the extent possible the attributed impacts would be those that have been verified in the field to be within the realistic realm; do not have alternate plausible explanations; and are consistent with the project's theory of change. It is true that the adopted methodology will not be able to fully address this concern.
STAP (N. H. Ravindranath)	I would be happy if Brazil and South Africa are also included (even if GEF support is small) – by making it BRICS – you are conforming to a globally known grouping of countries in CC negotiations.	These countries will be covered through desk reviews. However, these will not have a field component as it would stretch the budget for the evaluation.
STAP (N. H. Ravindranath)	ADD to objectives; Potential role for GEF in enabling transformational shift to low carbon development pathway, through market transformation, to halt global warming to <2°C. Such an interpretation would be futuristic, given Cancun Agreement.	This is difficult to address within the scope of this evaluation. So no action taken.
STAP (N. H. Ravindranath)	ADD to objectives; Implications of types of GEF interventions to promote market transformation; support to technology transfer, investment capital, enabling policies, regulations and incentives. Simply what types of interventions are most effective in market transformation?	Text has been added to address this suggestion.
STAP (N. H. Ravindranath)	Appreciate attempt to develop dynamic baselines, which most GEF projects do not do?, though it may take a lot of effort!	Endorsement appreciated.
STAP (N. H. Ravindranath)	Additional questions – What role can GEF play in enabling major emitters to shift to a low carbon development strategy.	This will be covered when the Role of GEF is discussed but will come up as a sub question rather than an independent <b>impact</b> question.
STAP (N. H. Ravindranath)	It is good to analyze separately EE and RE projects for market development – since there are clear differences between EE and RE.	Endorsement appreciated.
STAP (N. H. Ravindranath)	Para-17: It is difficult to classify the GEF CC projects, since all projects have components of "Foundational, Demonstration and investment activities".	Agreed; the distinction has been made for conceptual clarity purpose – working on upstream solutions vis-à-vis downstream solutions. This per se will not affect the evaluation.
STAP (N. H. Ravindranath)	Para-39: "Rebound effect" may be difficult to assess at this stage, since GEF projects may not have data to do such an analysis. GEF-EO may not be able to conduct field studies to assess this effect, long after the GEF projects are over!	This is true – we will just be focusing on determining incidence of instances where GEF undertook projects despite information that it would not have led to emission reduction or avoidance.
STAP (N. H. Ravindranath)	Para 41: Incremental costs and benefits. Many times no incremental benefit may occur?	True. If they don't an assessment for project would conclude that the GEF investment did not deliver incremental GEB – which is the primary intent which drives GEF financing.

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STAP (N. H. Ravindranath)	Para-45: WE are glad STAP methodology is proposed to be used. But the currently STAP is only attempting to develop methods only for <i>ex ante</i> phase of EE projects. What GEF-EO needs is <i>ex post</i> methods. Wish STAP had included both?	True, that would have been better. However, we would take note of the parameters built in the model. We think we will be able to use it after factoring out the effects of probabilistic expectations – in post facto environments where relevant we already know the states of the world so we need not go with the expected value but with actual states. But the model may still be useful in providing defaults for baseline and some of the assumptions.
GEF Secretariat	<p><i>Impact Evaluation Climate Change Mitigation Draft Approach Paper</i></p> <p>The Secretariat would be interested if the evaluation could draw on the Quality at Entry of Impact evaluation in combination with the CC-M impact evaluation to provide any insight as to the type of outcome indicators that could potentially be embedded at the project design stage to better capture impact on this issue in the future.</p>	This is a welcome suggestion. The evaluation team proposes to include questions in the project protocols for the impact evaluation to generate information on this front. These could then be seen in light of the findings of the quality at entry review for arrangements for impact evaluation. No changes are required in the approach paper.