



**Global Environment Facility**

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GEF Council  
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Agenda Item 14

**TERMS OF REFERENCE FOR AN INDEPENDENT  
MONITORING AND EVALUATION UNIT**

**Recommended Council Decision**

The Council, having reviewed document GEF/C.21/12, approves the terms of reference for an independent monitoring and evaluation unit together with the terms of reference for the unit's director, subject to the comments made at the meeting. The Council requests the CEO to initiate an open and transparent recruitment process for the director of the monitoring and evaluation unit with a view to proposing to the Council at its meeting in November 2003 a candidate for appointment to the position.

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## INTRODUCTION

1. This paper proposes a way forward on how the GEF's Monitoring and Evaluation function will be made independent and strengthened compared to the policies and procedures that are currently in place.<sup>1</sup> In addition, this paper contains guidelines for the involvement of other members of the GEF partnership in M&E efforts and a draft Terms of Reference for a proposed Director of the M&E Unit.
2. Under the policy recommendations of the Third Replenishment of the GEF Trust Fund it was agreed that the Monitoring and Evaluation Unit, for purposes of evaluation, should be made independent and report directly to the GEF Council. Some of the other key policy recommendations are that a process for Council oversight be established; that a formal feed-back loop from evaluation findings should ensure more systematic use of lessons in subsequent activities; that enhanced procedures to disseminate lessons be put in place and that more rigorous minimum standards for M&E be pursued.
3. For the October 2002 GEF Council meeting, the paper *Terms of Reference for an Independent Monitoring and Evaluation Unit* (GEF/C.20/7), was presented. A number of Council members gave comments to the paper at the meeting and submitted written comments by November 15, 2002.
4. Council members have especially recommended that the GEF M&E function should be strengthened and made independent. An M&E Director should be appointed by the Council and would report directly to the Council on monitoring and evaluation matters. Regular and timely communication and consultation modes with the GEF Council should be developed.
5. Council members further recommended a good partnership approach to M&E by all GEF entities. There should be an effective collaboration with the GEF Secretariat on administrative matters, program issues and knowledge management. Both the GEF coordination units and the evaluation divisions of the Implementing and Executing Agencies should be engaged in enhancing systems for measurements of results, the implementation of reviews and studies and in sharing experiences and lessons within the GEF. The Scientific and Technical Advisory Panel (STAP) should be involved on scientific and technical issues.
6. Further, there should be enhanced feedback loop mechanisms from monitoring and evaluation to policy, program and project design especially by the development of a knowledge management system.

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<sup>1</sup> See GEF M&E document: Monitoring and Evaluation Policies and Procedures (GEF, January 2002)

## **ROLE OF GEF COUNCIL AND INDEPENDENCE OF THE M&E UNIT**

7. The objectives of M&E is to:

- Provide a basis for decision-making on amendments and improvements of policies, strategies, program management, procedures and projects;
- Promote accountability for resource use against project objectives, by the GEF Secretariat, Implementing and Executing Agencies and other partners, including participating countries;
- Document and provide feedback to subsequent activities, and promote knowledge management on results, performance and lessons learned.

8. In accordance with Council's recommendations, the M&E Unit will, on monitoring and evaluation matters, be independent and report directly to the Council in a regular and timely way. The Council will:

- Appoint the M&E Director for a 5 year term, which may be renewable, upon recommendation of the CEO/Chairman. The recruitment process will be conducted in a transparent way and in consultation with GEF Council, and the Implementing and Executing Agencies;
- Review and approve M&E policies and procedures, four year rolling M&E work plans, the annual work program and budget;
- Receive and comment on monitoring and evaluation reports and annual reports on M&E activities;
- As necessary, arrange for special meetings with the M&E team in conjunction with regular Council meetings through the GEF CEO and Chairman;
- Receive semiannual updates on M&E activities during the inter-sessional period.

9. The M&E Unit will be located in the GEF Secretariat and will administratively report to the GEF CEO and Chairman. The M&E Unit will cooperate closely with the GEF Secretariat and the IAs on the development of M&E systems, implementation of reviews and studies, and the development of knowledge management systems, including dissemination of M&E results.

10. The GEF M&E Unit will be responsible for all corporate M&E activities. This includes development of M&E policies and guidelines on M&E methodology and implementation of the annual Project Performance Review, focal area and cross-cutting evaluations, country portfolio reviews and especially the evaluation of GEF's overall performance. It will also include a review

of progress made towards the implementation of the recommendations made in the previous overall performance studies.

11. The monitoring and evaluation practices of the GEF will follow established standards of the UN, the multilateral development banks, OECD-DAC and others, and make further efforts to increase accountability, credibility, impartiality, transparency and usefulness. The M&E staff and consultants preparing evaluation findings and recommendations will be selected and guided to make fair and consistent assessments based on their best professional and independent judgments, following GEF Council guidance and oversight.

#### **IMPROVED MEASUREMENT OF GEF RESULTS**

12. Improved policies, procedures, standards for measurements of results are essential building blocks to an efficient and effective M&E system. This pertains to all levels from the individual projects and country portfolios to the level of GEF itself as a global environment facility.

13. **GEF M&E Policies and Procedures.** The GEF M&E Policies and Procedures will be continuously reviewed and updated in dialogues with all GEF entities to make them dynamic and relevant to the current circumstances.

14. **Improved Monitoring and Evaluation Plans.** The M&E Unit will provide support to Implementing Agencies and GEF Secretariat's focal area teams, when needed, to ensure that both regular and medium-size project designs include satisfactory **M&E plans**. These plans will identify how performance information from monitoring and evaluation activities can guide project management towards accomplishing project objectives, and report on the accomplishments.

15. **Minimum M&E Standards.** The M&E plans will, as a minimum, include: definition of performance indicators and unit of measurements; description of the data source(s) for the indicator; identification of baseline data and methods for data collection and processing; scheduling frequency of data collection and designing officials responsible for ensuring data availability. Performance indicators need to be direct, objective, and the data available at intervals consistent with management requirements. Existing projects that do not have such provisions, and which have more than two years left in implementation will be retrofitted to meet such minimum M&E standards.

16. **Program Indicators.** In cooperation with teams of the GEF Secretariat, the Implementing Agencies and STAP, the M&E Unit will intensify its work on developing, testing redrafting and using program indicators in all focal areas where operational policies and programs have been endorsed.

## **MONITORING PROGRAM**

17. The results of the annual Project Performance Report (PPR) will firstly include the outcome of the annual Project Implementation Review (PIR) based upon reporting by the GEF Implementing Agencies (IA) and Executing Agencies on all ongoing projects. In FY 2002 the PPR has been complemented by two additional review modalities: the Specially Managed Project Review (SMPR) and the Terminal Evaluation Review (TER).

## **PROGRAM AND POLICY EVALUATIONS**

18. Program evaluations cover essential features—or the full scope—of GEF operational programs. Cross-cutting evaluations provide the opportunity to assess topics of concern to all operational programs, e.g. participation, capacity building, policy formulation, technology comparisons, funding arrangements, management and operational responsibilities, best practices in M&E arrangements, and application of lessons learned. Country portfolio reviews enable the assessment of GEF achievements in countries, particularly how GEF responds to country policies and priorities, and how country policies and practices affect GEF project results.

19. In preparation for the GEF replenishment and Assembly every four years, the M&E Unit arranges for a comprehensive study of GEF's overall performance (OPS), which addresses overriding issues like global impact and benefits of GEF programs, as well as the appropriateness of GEF's institutional arrangements, policies, strategies, programs and priorities. The GEF Secretariat reports on the follow up of the decisions made by the GEF Council and the Assembly on the basis of the overall performance study.

## **FEEDBACK AND KNOWLEDGE MANAGEMENT**

20. An essential and integral part of M&E is the feed-back to the decision-making processes in the GEF at policy, program and project levels. Evaluation findings and recommendations will be provided in a timely and readily accessible form to have a positive impact in the GEF activities. Their implementation will be reported on an annual basis. The efforts to ensure feed-back and follow-up will partly be done in a coordinated GEF manner, and partly by the Implementing and Executing Agencies, as appropriate.

21. Activities for feedback and knowledge management will be designed with clearly identified tasks, resources for their implementation and designated dissemination responsibilities. It further requires using techniques that promote and facilitate the integration of findings, and lessons and recommendations into GEF's programs and projects and, more broadly, into all related efforts that further the attainment of global benefits. The GEF M&E Unit will, in collaboration with other teams of the GEF Secretariat and the Implementing and, when appropriate, Executing Agencies, develop a knowledge management strategy based on user needs and priorities and the latest technologies and approaches. It will rely on publications and the full range of learning tools and methods, such as training seminars, distance learning, field visit monitoring, participation in evaluations by counterpart country staffs, mentoring, web-based systems, etc. Some of the key initial questions to be analyzed are:

- Who are the primary (and secondary) users and what are their knowledge needs?
- In what form should the available knowledge be coded and communicated?
- What are the most effective channels and mechanisms for dissemination, as well as two way communication and networking?
- What are the most effective and sustainable institutional settings for knowledge management systems, and the appropriate division of roles between the M&E team, the GEF Secretariat and the Implementing and Executing Agencies?

## **ANNEX I**

### **GUIDELINES FOR PARTICIPATION OF ALL RELEVANT GEF ENTITIES IN M&E EFFORTS**

#### **INTRODUCTION**

1. M&E is a shared responsibility within the GEF partnership. The GEF M&E Unit will cooperate closely with other teams in the GEF Secretariat, the Implementing and Executing Agencies and the Scientific and Technical Advisory Panel (STAP). Management and technical staff members participating in GEF-funded activities will also be asked to participate in M&E activities. Therefore a coordinated approach is required. Appropriate resources will be allocated for M&E activities, taking into account both the nature of the GEF initiative and the need for integrated and complementary preparation of reliable and valid reports.

#### **THE GEF M&E UNIT DUTIES AND RESPONSIBILITIES**

2. The GEF M&E Unit will have the following primary duties and responsibilities:
- a. Prepare GEF-wide policies and minimum M&E guidelines, standards and procedures relating to M&E components in project documents and all monitoring and evaluation activities;
  - b. Manage evaluations of GEF's overall performance;
  - c. Conduct evaluations of strategic and operational topics, programs, country portfolios, and cross-cutting issues;
  - d. Conduct periodic impact evaluations;
  - e. Coordinate the annual Project Implementation Reviews (PIR), the Specially Managed Project Reviews (SMPR) and the Terminal (project) Evaluation Reviews (TER).

#### **GEF SECRETARIAT DUTIES AND RESPONSIBILITIES**

3. The GEF Secretariat will provide administrative services. There will also be cooperation with the secretariat's program and technical staff on a wide range of M&E activities, and with the external relations staff on knowledge management, including dissemination. In particular, the GEF Secretariat will:

- a. Participate in program or cross-cutting reviews, studies and evaluations and the annual PIR and SMPR;
- b. Ascertain that findings and recommendations emanating from evaluation and monitoring activities are followed up with regard to GEF policies, programs and procedures, and the decisions implemented;
- c. Identify program-level indicators and collect data for monitoring performance on program indicators;
- d. Ensure that results and lessons identified through M&E activities are adequately reflected in public information about GEF.

## **IMPLEMENTING AND EXECUTING AGENCY<sup>2</sup> DUTIES AND RESPONSIBILITIES**

4. The GEF Implementing and Executing Agencies have lead responsibility for:
  - a. Designing monitoring and evaluation plans and performance indicators for projects and adequately monitoring the implementation of projects against the indicators.
  - b. Reporting annually on project performance in the context of the PIR.
  - c. Conducting terminal evaluations of all medium sized and regular projects. When appropriate, conducting mid-term and phase evaluations during project implementation.
  - d. Ascertaining that recommendations from evaluations are submitted for decision making within the Agencies, as appropriate, and monitoring the follow-up of such decisions.
  - e. Making project evaluations publicly accessible and project documents available to the M&E team.
  - f. In addition, GEF Implementing and Executing Agencies are encouraged to conduct impact evaluations of GEF projects after project completion.
  - g. Finally, the three GEF Implementing Agencies, will support the M&E team and others within the GEF partnership on the following:
    - (i) Participating in developing M&E policies and identifying program indicators;
    - (ii) Participating in program studies, cross-cutting evaluations, SMPR and TERs;
    - (iii) Participate in the development of and the implementation of knowledge management.
    - (iv) Assisting with the facilitation of studies of GEF's overall performance;

## **SCIENTIFIC AND TECHNICAL ADVISORY PANEL DUTIES AND RESPONSIBILITIES**

5. The GEF Scientific and Technical Advisory Panel (STAP) will cooperate on scientific and technical matters with the M&E Unit on key aspects of the evaluation and monitoring work program, including the development of program indicators and scientific measurements of GEF results.

## **PARTICIPATING COUNTRIES' ROLES**

6. The GEF participating countries directly involved in an M&E activity (i.e. studies of a particular project) will be fully consulted, informed and briefed about the plans, the implementation and the results of the evaluation activity. Staff members of the cooperating governments or institutions will be expected to participate in evaluations as team members, informants and/or observers. They will also be requested and encouraged to share relevant experiences prior to, during and following evaluations. Local and international NGOs as well as community groups working within the area of the project will be fully involved in the M&E

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<sup>2</sup> Executing Agencies as defined in document GEF/C.13/3

activity. M&E activities will be implemented with full participation of all project's stakeholders and beneficiaries.

## **ANNEX II**

### **TERMS OF REFERENCE FOR THE GEF MONITORING AND EVALUATION UNIT DIRECTOR**

1. The GEF Monitoring and Evaluation Unit Director is accountable directly to the GEF Council on M&E matters including evaluation program and budget, and reports to the Council through the Chief Executive Officer (CEO) on other matters related to administration and technical services.
2. The Director's duties and major tasks are as follows:
  - a. Implements strategic direction and oversight provided by Council:
    - (i) Prepares draft M&E policies, guidelines and procedures for GEF Council decision.
    - (ii) Prepares draft four year rolling work plans and annual work programs and budgets for Council decisions.
    - (iii) Provides individual M&E reports, report summaries, and annual summary reports on M&E activities and results, including information and follow-up of evaluation findings and recommendations. Arranges special meetings with Council members through the CEO and Chairman, when appropriate and necessary.
  - b. Provides Overall Direction and Management of Resources:
    - (i) Prepares plans and work programs covering methodology development as well as monitoring, review and evaluation at the project, program, policy, operational and overall GEF level.
    - (ii) Ensures that M&E work is integrated into the work of the GEF Secretariat and Partner Agencies.
    - (iii) Proposes resource needs for the GEF M&E Unit team and other GEF units participating in M&E activities.
    - (iv) Implements the work program and manages its component activities within budget, staff and time constraints.
  - c. Manages and Coordinates Staff and Team Performance:
    - (i) Assigns M&E tasks.
    - (ii) Manages GEF M&E staff and coordinates the inputs of GEF Secretariat, Implementing and Executing Agencies.
    - (iii) Evaluates and monitors team performance.
    - (iv) Clarifies performance expectations through Results Agreements, assesses strengths and development needs of individual staff through Development Action Plans.
    - (v) Provides coaching and mentoring; and recommends suitable training.

- (vi) Maintains open communications, fosters team work and resolves conflicts.
- d. Strengthens Institutional Relationships:
  - (i) On M&E matters strengthens the relationship between the GEF and its member countries, the Secretariat, the Implementing and Executing Agencies, STAP, and other key stakeholders.
  - (ii) Cooperates with the M&E units in the Implementing Agencies, and as appropriate the Executing Agencies, and ensures that their M&E practices are in accordance with minimum GEF standards.
- e. Ensures Feed-back and Knowledge Management:
  - (i) Ensures feed-back of M&E results to the decision-making processes in the GEF at policy, program and project levels.
  - (ii) Ensures follow-up on all M&E matters which require decisions.
  - (iii) Participates in the development and maintenance of a comprehensive knowledge management system based on M&E and other findings and lessons.