

GEF Council Meeting
June 5-7, 2012
Washington, D.C.

Agenda Item 7

Management Response to the Annual Performance Report 2011

(Prepared by the GEF Secretariat)

APR 2011 Management Responses

1. The Secretariat welcomes the eighth GEF Annual Performance Report (APR) 2011 prepared by the GEF Evaluation Office. This year's report focuses on 109 completed projects for which terminal evaluations were submitted during fiscal year 2011 (FY11).
2. The Secretariat welcomes the report's conclusion that the outcome achievements of 82 percent of completed projects reviewed for FY11 were rated in the satisfactory range and that the quality of 84 percent of the terminal evaluations submitted during FY11 was rated moderately satisfactory or above.
3. The Secretariat is particularly encouraged that the level of cofinancing materialized, as reported by the GEF Agencies, is on average higher than the level of cofinancing expected at the time of project approval. The GEF Council views cofinancing as an indicator of a project's sustainability, country ownership, and mainstreaming of GEF activities in activities of the partner institutions, and as a way to mobilize additional resources for the global environment. This continued trend of a higher cofinancing ratio of materialized to expected is an important performance metric for the GEF as a whole.
4. The Secretariat notes the finding that the quality of M&E of closed projects is fluctuating with an average of 68 percent of projects being rated moderately satisfactory or above since 2006. As stated in the report, the Evaluation Office expects to see continuous improvement in ratings along this dimension as current and future cohorts increasingly include projects designed to reflect the 2010 Council approved changes in M&E policy.
5. The Secretariat also welcomes the findings of a slight increase in the quality of M&E arrangements at the point of endorsement by the Chief Executive Officer. In particular, the Secretariat is encouraged with the finding that GEF projects at entry demonstrate a high level of alignment between project logical frameworks and focal area results frameworks per the new requirement in the 2010 M&E Policy.
6. The Secretariat is encouraged by the finding that GEF Projects are beginning to specify how Operational Focal Points (OFPs) will be informed and where feasible, involved in M&E activities. The engagement of OFPs is a new requirement in the M&E policy and intended to reflect the efforts of countries to establish or improve national monitoring and evaluation, and include an emphasis on increased country ownership. The Secretariat and Evaluation Office have collaborated to introduce this new monitoring and evaluation minimum requirement and explain its implications through the Expanded Constituency Workshops (ECWs).
7. The Secretariat supports the recommendation of the APR that GEF Agencies should enhance their efforts to specify how OFPs will be engaged, when feasible and relevant, in project or program monitoring and evaluation.

UNDP and World Bank Input to the Management Response

8. UNDP is pleased that the GEF Evaluation Office, upon reviewing UNDP terminal evaluations submitted since FY 2008, rated the quality of M&E during project implementation as satisfactory or above at 73%, up from 60% reported in 2010, and above the 70% average across the three Implementing Agencies.

9. UNDP would like to suggest that a clear definition of co-financing should be articulated in the GEF. The GEF Evaluation Office uses a definition from a Council document in 2003, while another definition of co-financing proposed in a Council information document of 2010 has been used by others. A clear definition will assist UNDP in reporting co-financing in line with the expectations of the GEF Council. □ □

10. UNDP appreciates the new parameters used to determine quality of M&E arrangements at entry based on recently approved GEF policies – namely the revised GEF 2010 M&E Policy, the Policy on Gender Mainstreaming, Policy on Environmental and Social Safeguard Standards and the Council decision concerning the Mainstreaming and Targeting of Adaptation and Resilience. However, as noted in the report, UNDP and the World Bank would like to stress that these policies were not in effect at the time these projects were developed. As these new parameters were applied retro-actively to projects, it is appropriate that these findings are not used to make evaluative judgments on the quality of M&E arrangements at entry. Similarly, the assessment of entry arrangements for impact evaluation has not been discussed with the Agencies and such arrangements are not a requirement. Agency representatives caution against a tendency to add new expectations or requirements at entry, at a point in time when more efficiency and streamlining are called for.

11. UNDP would also like to suggest that more transparency is required on the criteria used by the GEF Evaluation Offices to determine a low or high threshold for baseline information, one of the parameters used in the quality of M&E arrangement at entry. A clear definition will assist UNDP in addressing baseline information in line with the expectations of the GEF Council. Further collaboration is needed to develop a common understanding among GEF EO, GEF Agencies and GEF Secretariat of the M&E Policy requirement of a fully budgeted M&E Plan.