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Agenda Item 08

LDCF/SCCF ANNUAL EVALUATION REPORT 2014

(Prepared by the GEF Independent Evaluation Office)

Recommended Council Decision

The Council, having considered document GEF/LDCF.SCCF/18/ME/02, “*LDCF/SCCF Annual Evaluation Report 2014*” welcomes the report and notes the information on the progress of the LDCF and SCCF. The Council requests the GEF Independent Evaluation Office to develop the AER as the portfolios mature to become a robust source of information and a tool for decision making.

EXECUTIVE SUMMARY

1. This second LDCF/SCCF Annual Evaluation Report (AER), prepared by the Independent Evaluation Office (IEO), presents an assessment of eight completed LDCF/SCCF projects for which the terminal evaluations (TEs) were submitted during the FY14. This year's AER looks, for the first time, at gender considerations in completed projects and presents a synthesis of lessons learned from completed projects. The gender assessments and synthesized lessons are based on the thirteen LDCF/SCCF projects for which TEs were submitted in FY 2013-2014.
2. All of the FY14 LDCF/SCCF projects had outcome ratings in the satisfactory range. One notable theme common to all projects is a focus on climate information, knowledge and awareness, either through capacity development activities, demonstration projects or pilot sites, small grants for demonstration activities, and/or the strengthening of systems involved in climate information provision. Seven of the eight projects received sustainability ratings in the likely range. All five LDCF projects have clear linkages with and are inspired by their respective country's National Adaptation Plan of Action (NAPA), either through identified key adaptation needs, project priority areas, or sectors most at risk as identified in the countries' NAPA documents.
3. An assessment of project monitoring and evaluation performance and an identification of innovative approaches are further discussed in the report. Most of the lessons learned synthesized in this report do not relate to the innovative approaches identified, but to standard good practice elements in project management, communication and stakeholder involvement, and monitoring and evaluation (M&E).
4. The focus of the gender assessment was on three gender considerations, being 1) gender disaggregation of output and outcome indicator data, 2) explicit gender considerations in the description of the project activities, and 3) the existence of an overarching women inclusion, empowerment and/or gender mainstreaming strategy or approach. Making gender-positive outcomes intentional by developing integrated and holistic gender empowerment approaches as part of the gender mainstreaming strategy formulated at the project's onset does seem to provide better results compared to only focusing on gender disaggregated indicator data. There possibly is more gender relevant analysis and strategizing taking place than is being reported in the project documents, and consequently these largely undocumented efforts do not receive targeted attention in the mid-term reviews and TEs.
5. The report also contains the management action record on the level of adoption of the LDCF/SCCF Council decision on recommendations of the SCCF evaluation. The decision has three components, of which one on increasing the visibility of LDCF/SCCF has been verified as substantial and will continue to be tracked.

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BACKGROUND

1. This document is the second LDCF/SCCF Annual Evaluation Report (AER) that the GEF Independent Evaluation Office (IEO) has prepared. The report presents an assessment of project outcomes and sustainability, quality of project monitoring, and innovative approaches of completed projects. For this assessment, eight projects were considered for which terminal evaluations (TEs) were submitted by GEF Agencies to the IEO in FY14. This year's AER looks, for the first time, at gender considerations in completed projects and presents a synthesis of lessons learned from completed projects. The gender assessments and synthesized lessons are based on the 13 LDCF/SCCF projects completed so far (projects for which TEs were submitted in FY14 and FY13). The AER also reports on the follow up on the implementation of the LDCF/SCCF Council decision on recommendations of the SCCF Evaluation in the management action record (MAR).

ASSESSMENT OF TERMINAL EVALUATIONS

2. This is the second year that completed LDCF/SCCF projects are reported on in the GEF Annual Performance Report (APR). In the APR 2014 cohort of TEs there are three completed projects that received funding from the Special Climate Change Fund (SCCF) and five completed projects that received funding from the Least Developed Countries Fund (LDCF). These projects account for \$13.3 million in LDCF funding and \$6.8 million in SCCF funding. Reporting on project outcomes and sustainability, quality of project monitoring, and innovative approaches are based on analysis of the ratings and information provided in TEs that have been first reviewed by the GEF IEO and/or the evaluation offices of GEF partner Agencies.¹

Outcomes and Sustainability

3. Table 1 provides summary information and ratings for the eight completed LDCF/SCCF projects of the AER 2014 cohort. Given the small number of completed projects to date, these projects are not representative of the full range of objectives and approaches of the two funds.

4. Four national projects (GEF IDs 3265; 3319; 3404; 3581) focused on freshwater availability and management linked to agriculture and/or food security. Three national projects focused on the adaptive capacity of vulnerable communities targeting the agro-pastoral sector (GEF ID 3155), the agro-forest-pastoral sector (GEF ID 3684), and coastal communities (GEF ID 3299) respectively. Coastal communities were also the target population of one national project (GEF ID 3358), with the main focus being on the provision of climate risk and early warning information towards the agriculture and health sectors.

5. All of the eight completed projects had outcome ratings in the satisfactory range; four being rated moderately satisfactory (GEF IDs 3155; 3299; 3358; 3581) and four being rated satisfactory (GEF IDs 3265; 3319; 3404; 3684). One notable theme common to all projects is a focus on climate information, knowledge and awareness, either through capacity development

¹ For details on the procedure for GEF IEO review of terminal evaluations and rating scales, please see annex A.

activities, demonstration projects or pilot sites, small grants for demonstration activities, and/or the strengthening of systems involved in climate information provision.

6. In terms of sustainability of project outcomes, seven of the eight completed projects received ratings in the likely range; six being moderately likely (GEF IDs 3299; 3319; 3358; 3404; 3581; 3684) and one being likely (GEF ID 3265). Reasons for projects' sustainability being moderately likely instead of likely are diverse, but often link to financial and environmental sustainability factors. Financial sustainability at times depends on external factors beyond the projects' scope and sphere of influence, impacting the operation, maintenance and replicability of (demonstration) activities. Environmental sustainability is impacted by the adaptive capacity of stakeholders and systems remaining relatively low despite the intervention. This comes down to (1) an initially low capacity as well as high vulnerability of stakeholders and (ecological) systems, and (2) perhaps overly ambitious project objectives in relation to the existing level of skills, knowledge and capacities. This will impact their vulnerability in the light of long term climate scenarios and future more extreme weather events. The Strengthening Adaptation Capacities and Reducing the Vulnerability to Climate Change in Burkina Faso project (GEF ID 3684) was given a sustainability rating of moderately unlikely. The main reason is that further scaling out, and continued management and maintenance of implemented activities cannot be guaranteed without continued financial resources.

7. All of the LDCF projects have clear linkages with and are inspired by their respective country's National Adaptation Plan of Action (NAPA), either through identified key adaptation needs, project priority areas, or sectors most at risk as identified in the countries' NAPA documents.

Table 1. Outcome, Sustainability and M&E Ratings of Completed SCCF and LDCF Projects Part of the APR 2014 Cohort

GEF ID	Fund	Agency	Project Title	Country	GEF Funding (M\$)	Outcome rating ²	Sustainability rating ³	M&E design at entry rating ²	M&E plan implementation rating ²
3155	SCCF	UNDP	Coping with Drought and Climate Change	Mozambique	0.96	MS	ML	U	MU
3265	SCCF	World Bank	Mainstreaming Adaptation to Climate Change into Water Resources Management and Rural Development	People's Republic of China	5.0	S	L	Substantial ⁴	Substantial ⁴
3299	SCCF	UNDP	Strengthening the Capacity of Vulnerable Coastal Communities to Address the Risk of Climate Change and Extreme Weather Events	Thailand	0.87	MS	ML	S	MU
3319	LDCF	UNDP	Implementing NAPA Priority Interventions to Build Resilience and Adaptive Capacity of the Agriculture Sector to Climate Change	Niger	3.5	S	ML	MU	S
3358	LDCF	UNDP	Integrating Climate Change Risks into the Agriculture and Health Sectors in Samoa (ICCRAHS) Project	Samoa	2.0	MS	ML	S	MS
3404	LDCF	UNDP	Promoting Climate Resilient Water Management and Agriculture Practice in Rural Cambodia	Cambodia	1.85	S	ML	U	MS
3581	LDCF	UNDP	Building Adaptive Capacity and Resilience to Climate Change in the Water Sector in Cabo Verde	Cabo Verde	3.0	MS	ML	S	S
3684	LDCF	UNDP	Strengthening Adaptation Capacities and Reducing the Vulnerability to Climate Change in Burkina Faso	Burkina Faso	2.9	S	MU	MS	MS

² GEF/GEF Agency six-point rating scale: Highly Satisfactory (HS), Satisfactory (S), Moderately Satisfactory (MS), Moderately Unsatisfactory (MU), Unsatisfactory (U), and Highly Unsatisfactory (HU).

³ GEF/GEF Agency four-point scale: Likely (L), Moderately Likely (ML), Moderately Unlikely (MU), and Unlikely (U).

⁴ World Bank IEG uses a four-point scale for the M&E Design and M&E Implementation ratings: High, Substantial, Modest, and Negligible.

Quality of Project Monitoring and Evaluation

8. The quality of monitoring and evaluation in LDCF/SCCF projects is reviewed by rating the M&E design and planning at project start, as well as the implementation of the M&E plan. The latter also looks at adjustments made to the logical results framework during the project's life cycle, and follow-up and management response to mid-term review (MTR) recommendations. The scoring of both M&E elements is done by means of a six-point rating scale, going from highly satisfactory to highly unsatisfactory.

9. Five of the eight projects were evaluated to have an 'M&E design at entry' rating in the satisfactory range, while three of the eight projects were found to have ratings in the unsatisfactory range (see table 1 for details). For example, the Mozambique project (GEF ID 3155) was found to have significant weaknesses in terms of risks and assumptions, which were poorly analyzed, and with weak or unfeasible risk internalization measures. The Cambodia project (GEF ID 3404) had a rather simple though comprehensive M&E system, but its design limited the assessment of the outcomes and impacts of the project. Because good monitoring procedures were developed and implemented during the project's lifetime, the M&E plan implementation in Cambodia was rated more positively. All three projects that were rated in the unsatisfactory range for 'M&E design at entry' had a more positive rating for their 'M&E plan implementation' element.

10. Six of the eight projects were found to have a rating in the satisfactory range for 'M&E plan implementation'. Mozambique (GEF ID 3155) received a moderately unsatisfactory (MU) rating due to a lack of operationalization of indicators, and because monitoring and reporting was not conducted in a systematic manner. Equally, Thailand (GEF ID 3299) received a moderately unsatisfactory (MU) rating, because no adjustments were made to the logical framework during the project's lifetime, and annual work plans did not include strategies on how performance indicators and targets were to be addressed in planned activities.

Innovative Approaches

11. There is no overarching description or definition of what is to be regarded as innovation or innovative. The joint external evaluation of the LDCF (GEF IEO-MFA EVAL 2009) and the LDCF review of the implementation of NAPAs (GEF IEO 2014a) do not specifically touch upon the topic of innovation. The 2012 SCCF evaluation report (GEF IEO) discusses how projects employ innovative approaches to overcome, for example, a lack of data on emerging adaptation issues. AER 2013 (GEF IEO 2014b) also provides examples of innovative approaches applied in the projects analyzed. One common denominator in LDCF/SCCF projects is that projects and approaches are regarded as innovative if they are deliberately applied to tackle an issue, and these approaches (1) have not been used before in the project area, and/or (2) have not been used before to tackle this specific issue. Other elements that make an approach innovative is that the approach needs to be (3) widely replicable, which is linked to being locally appropriate from a technological, environmental as well as a socio-economic point of view, and this should be possible (4) at low economic cost, which links innovation to financial sustainability.

12. Three SCCF and five LDCF completed projects of the AER 2014 cohort were reviewed for innovative approaches. The TEs and also the available MTRs for Samoa and Cabo Verde (GEF IDs 3358; 3581) were examined.

13. The Mainstreaming Adaptation to Climate Change into Water Resources Management and Rural Development Project (GEF ID 3265) in the People's Republic of China was part of a bigger US\$ 463.50 million project, titled "The Irrigated Agriculture Intensification III Project". Due to its size, this project provided the most identifiable innovations of the eight projects analyzed. Innovations range from a budget system based on disbursements/reimbursements instead of the traditional government budget allocation system, a multilevel, computerized and internet based M&E system – consisting of the Management Information System (MIS), project M&E system and specialized Water User Associations (WUAs) M&E system – that allows to track implementation status and quality of progress in near real time. Other innovations focus on improvements in the governance of WUAs and Farmer Associations (FAs), and innovative water savings techniques to climate change adaptation. The WUAs and FAs innovations resulted in these having become self-managed and self-financing farmer organizations.

14. The concept of (centralized) crop nurseries to supply communities with saplings of useful trees is mentioned for the Mozambique project (GEF ID 3155) as well as the Samoa project (GEF ID 3358) as being innovative, given this approach to the distribution of sapling is new to these areas. The nurseries could eventually develop into efficient distribution points for new climate-resistant crop varieties, which adds to their innovation capacity. However, longer term sustainability of the central crop nursery in Mozambique is challenged by its location in a potential flood zone, which provides a good example of innovation being multi-dimensional and the line between adaptation and maladaptation being a thin one. The Mozambique TE advised relocation of the nursery in order to improve longer term sustainability of the innovation.

15. Other innovations identified are the eco-system based adaptation approach used in the Thailand project (GEF ID 3299), and the adaptive management approach as well as innovative animal raising practices as part of the Cambodia project (GEF ID 3404). The eco-system based adaptation approach in Thailand moved away from the use of the conventional administrative system (village – tambon – district) and focused on how community-based adaptation measures are linked on an eco-system scale, which resulted in villagers collaborating with upstream communities to tackle adaptation issues collectively and systematically. The adaptive management approach in Cambodia was vital to the project's success; a project board tracked the implementation of recommendations and played a crucial role in moving forward institutional and policy-driven issues. For example, the project board would visit project sites to assess on-going activities, then wrote recommendations to the project team, influenced the integration of climate change into the sub-national strategies, policies and planning processes, and would track the implementation of their own as well as MTR recommendations.

16. Data related innovations identified in the AER 2013 focused mainly on coping with a lack of data availability. Data-related innovation topics in the eight projects analyzed for this year's AER also show an increased appreciation for data management and related data infrastructure. Communication and participation innovations as identified in last year's project TEs focused on project-level participation, whereas the innovations identified in this year's

group of eight projects focused more on management and higher-level stakeholder collaboration between individuals as well as institutions.

17. The low number of LDCF/SCCF projects analyzed makes the identification of innovation trends and generalization of such trends difficult. Furthermore, there is no correlation between GEF Agency or geographical region, and the level of innovation identified. However, SCCF projects seem to be more innovative than LDCF projects. Looking at the 13 projects of the AER 2013 and 2014; of the seven SCCF projects six had innovative elements identified, while of the six LDCF projects only two projects had clear innovative elements.

18. A conclusion in the AER 2013 regarding the evaluation of SCCF projects was that it was not possible to derive a consistent understanding of the effectiveness of innovative approaches for all the projects. In line with the third element of innovation – as discussed in paragraph 11 – we can add that it is not possible to derive a consistent understanding of the financial sustainability and replicability of innovative approaches introduced by the projects analyzed. Innovative approaches cannot be detached from the more ‘conventional’ project elements, because innovation is not a goal in itself and solutions combine a suite of innovative and conventional approaches. The eight projects analyzed show that innovation is very much context-dependent; what is seen as innovative in one project country could be regarded as standard practice or a conventional approach in another project country.

GENDER CONSIDERATIONS

19. AER 2013 did not include a specific section on gender considerations. Therefore the assessment of gender considerations includes the eight completed LDCF/SCCF projects part of this year’s analysis as well as the five LDCF/SCCF projects for which performance and innovation were discussed in the AER 2013.

20. Gender considerations for these 13 projects were reviewed by analyzing their project identification form (PIF), project document, project implementation reports (PIRs), MTRs, and TEs. The focus was on three gender considerations, being 1) gender disaggregation of output and outcome indicator data, 2) explicit gender considerations in the description of the project activities, and 3) the existence of an overarching women inclusion, empowerment and/or gender mainstreaming strategy or approach.

21. The Thailand project (GEF ID 3299) was the only of the 13 projects that had an explicit women inclusion strategy formulated in the project document, departing from women roles as well as vulnerabilities. The project document for the Zimbabwe, Ethiopia, People’s Republic of China, Niger and Burkina Faso projects (GEF ID’s 3156; 3154; 3265; 3319; 3684) discuss gender considerations for some of the planned activities.

22. The TEs reveal that seven of the thirteen projects provided gender disaggregated indicator data for some of their project activities. Ten out of thirteen projects included gender considerations in some of their project activities, though only six of the thirteen projects made these considerations explicit in their project documents. The focus was mainly on women inclusion and participation, and not necessarily on appreciating and making use of women’s specific roles in society or addressing specific women needs or vulnerabilities.

23. The project documents of two SCCF projects, being in the People's Republic of China and Thailand (GEF IDs 3265; 3299) show that both projects had a strong women engagement component or women empowerment strategy developed at the project's onset. The Thailand project document not only stated that women have a strong role to play in community-based adaptation, but that they also have "special vulnerabilities and capacity development needs compared to other sections of local society, which need to be understood and addressed." The TEs show that these projects performed very well on the cross-cutting topic of gender. A lesson learned from the Thailand project was that the inclusion of gender criteria in their small grant beneficiary selection process was successful in empowering women.

24. The development of gender disaggregated indicators at a project's onset does not guarantee actual women empowerment or women engagement during implementation. The Zimbabwe and Ethiopia projects (GEF IDs 3156; 3154) both had the right intentions at the project's onset, but not all the intended results to show for it.

25. Ethiopia and also Tanzania (GEF IDs 2832; 3154) see certain activities as gender relevant because they positively impact women more than men. The drilling of more wells for example decreases the time spent on fetching water, an activity mainly executed by women and girls. But a conclusion by the Ethiopian project team that the time saved now means that women "can cook their family meal on time" challenges the idea that these activities were triggering actual women empowerment. There also is a difference between project activities supporting women and "women being supportive of project activities" (Samoa, GEF ID 3358) once these are implemented and turn out to be impacting women's lives. These examples point towards a need to sensitize in-country project staff to the real meaning of gender mainstreaming and women empowerment.

26. Comparing the China and Thailand projects with the Zimbabwe and Ethiopia projects – the latter having gender components developed at the project's onset but not all the intended results - it has to be said that the gender components of the two less successful projects mainly focused on gender-disaggregated outcomes, whereas the projects in China and Thailand pursued more integrated and holistic gender empowerment approaches as part of their gender inclusion or mainstreaming strategy.

27. The project documents and TEs of three projects, being the global Economic Analysis of Adaptation Options project (GEF ID 3679), the Bhutan (GEF ID 3219) and the Mozambique project (GEF ID 3155), do not show clear gender mainstreaming or women empowerment elements, and the projects also have limited to no gender-focused results. A lesson learned formulated by the Mozambique project is that differences in gender roles do need to be taken into account when pursuing alternatives to water demanding economic activities.

28. The TEs of four of the six projects that included gender considerations in their project document at the project's onset, being the People's Republic of China, Thailand, Niger and Burkina Faso (GEF IDs 3265; 3299; 3319; 3684) show positive results towards women empowerment. The TEs of three of the seven projects that did not include gender considerations in their initial project document, being Samoa, Cambodia and Cabo Verde (GEF IDs 3358; 3404; 3581), show some positive results towards women empowerment. One finding is that not having a gender focus or strategy at the project's onset does not mean there can't be gender-positive

results. Though making gender-positive outcomes intentional by developing integrated and holistic gender empowerment approaches as part of the gender mainstreaming strategy formulated at the project's onset does seem to provide better results compared to only focusing on gender disaggregated indicator data. Another finding, based on statements in the project implementation reports of Cambodia and Cabo Verde, is that there possibly is more gender relevant analysis and strategizing taking place than is being reported in the project documents, and consequently these largely undocumented efforts do not receive targeted attention in the MTRs and TEs.

SYNTHESIS OF LESSONS LEARNED FROM COMPLETED PROJECTS

29. This year the AER synthesizes lessons learned from the 13 LDCF/SCCF projects completed so far. The IEO reviewed the TEs from the AER 2013 and 2014 cohorts. For this synthesis lessons learned have been drawn from the specific TE report sections on lessons learned, as well as other sections of the TEs that held valuable lessons.

30. Most of the lessons learned put forward in the LDCF/SCCF projects' TEs do not relate to the innovations earlier identified. They relate to standard good practice elements in project management, communication and stakeholder involvement, and monitoring and evaluation (M&E). For example, 'identify needs in collaboration with beneficiaries', 'guarantee national-level buy-in and ownership', 'establish verifiable (SMART) indicators which are linked to the impact monitoring system at the design stage', and 'properly document lessons learned in a systematic and continuous effort'.

31. There is no clear relationship between the number of lessons formulated and a project's outcome and sustainability rating; lessons learned can depart from both project successes as well as project elements with room for improvement.

32. The lessons learned topics mentioned (from most to least frequently mentioned) relate to; project ownership, participation, monitoring and evaluation, climate change adaptation, inclusion, the distilling of lessons learned, management support, project design, indicators, and adaptive management. In absolute numbers, most of the lessons learned topics do not relate to the projects' programming content. A topic discussed in three of the five LDCF/SCCF projects (GEF IDs 3154; 3156; 3219) analyzed for the AER 2013 was 'logistics and procurement', but this topic did not recur in the latest eight LDCF/SCCF projects analyzed.

33. The lessons learned groupings in order of occurrence (from most to least occurring) are; (1) communications and stakeholder involvement, (2) monitoring and evaluation, (3) project management, and (4) content-technical. These groupings are used below to further discuss the individual lessons learned topics mentioned earlier. The lessons learned in the content-technical grouping focus mainly on climate change adaptation as projects' programming content.

Communications and Stakeholder Involvement

34. *Identity and ownership:* Eight of the thirteen LSCF/SCCF projects analyzed included lessons learned on identity and ownership. The Tanzania project (GEF ID 2832) concluded that the inclusion of key stakeholders provides an opportunity to develop the right mix of local

identity and [individual] ownership as well as institutional ownership and inter-stakeholder learning. The Bhutan project (GEF ID 3219) adds that a project that is highly relevant, and responding to national needs and priorities, is often highly effective in its implementation and enjoys good country ownership. The Burkina Faso project (GEF ID 3684) concluded that national level ownership and involvement of the beneficiary communities in programmatic planning, technical implementation, joint resource management and activity monitoring increases a climate change adaptation project's sustainability as well as the level of success in the adoption of new innovations.

35. *Participation:* A lesson learned in the Bhutan project (GEF ID 3219) is that tangible deliverables selected by stakeholders, with positive direct impacts on them, will contribute to a strong participation of stakeholders and beneficiaries in project activities and overall to a better effectiveness of project activities. The Mozambique project (GEF ID 3155) comes to a similar lesson learned, stating that when people are provided an opportunity to participate this leads to the use of locally appropriate technologies, resulting in the project responding sustainably to human development needs. The Burkina Faso project (GEF ID 3684) adds that such an approach does not only improve sustainability, but also a higher adoption rate of new innovations.

36. *Inclusion:* The Tanzania, China and Thailand projects (GEF IDs 2832; 3265; 3299) are good examples of projects that used a participatory approach aimed at including a wide range of stakeholders, like higher-level ministries, academic institutions, scientific specialists, local government, farmers, water boards, women's organizations and farmer associations. In the case of Tanzania this improved ownership, in China this resulted in the development of a common and acceptable climate adaptation menu of options, and in Thailand this resulted in higher levels of engagement, ownership and women empowerment.

Monitoring and Evaluation

37. *Monitoring and evaluation:* The Ethiopia project (GEF ID 3154) lesson learned on M&E states that during the project inception phase there should be a strong focus on developing a comprehensive implementation strategy and monitoring plan, which should include a rigorous approach to design and monitoring of the activities. The Mozambique project (GEF ID 3155) adds that project management teams need to be coached and be provided with sufficient understanding of results based management and the importance and use of monitoring and evaluation instruments. The Cambodia project (GEF ID 3404) M&E lesson learned finds that project investments might be interpreted poorly unless an appropriate assessment of the impacts has been performed effectively and empirically, which in turn can lead to challenges in terms of generating and managing data for evidence-based result reporting.

38. *Indicators:* The Tanzania project (GEF ID 2832) identified the need to establish verifiable (SMART) indicators at the design stage, which are linked to the impact monitoring system. The Cabo Verde project (GEF ID 3581) concluded that some of their outputs lack definition, which is visible in related indicators that lack relevance. Another lesson learned is that the effectiveness of mainstreaming climate change into development policies, strategies and plans depends to a high degree on the quantification of impacts of climate change and the assessment of adaptation costs within the necessary limits of uncertainty. The Thailand project (GEF ID 3299) identified a different challenge, which relates to the government's performance

management system; government stakeholders prefer to focus on activities that fit their set performance targets. Though this also presents the opportunity to introduce climate change adaptation as part of the government's disaster risk management (DRM) key performance indicators (KPI's). Strong monitoring and evaluation results will be needed to convince provincial and national level policy makers, and indicators should include intangible benefits realized, such as increased social capital.

Project Management

39. *Distilling lessons learned:* The Economic Analysis of Adaptation Options project (GEF ID 3679) did not generate substantial literature related to lessons learned, while 'the development of an information base' was among its prime objectives. One reason why this did not materialize sufficiently might be the project's narrow focus on one method of economic appraisal. Methodological development is a difficult challenge, particularly on climate adaptation, but a multi-method focus would probably have resulted in more lessons to be learned. The Bhutan project (GEF ID 3219) indicated that a demonstration project with the potential to lead to an investment project should receive a technical review to properly capture its body of knowledge, and make it available through the web. By doing so it would contribute to its replication and scaling-up in the country and the region. The projects in the People's Republic of China, Samoa, Cambodia and Cabo Verde (GEF IDs 3265; 3358; 3404; 3581) all indicated the need to systematically document lessons learned to inform and guide future projects, though the approach of developing lessons learned differs. The China project contracted top Chinese research institutions and first-class international experts to build up the scientific base and learnings for project design and implementation, whereas the Cambodia project made use of local knowledge sharing events and the online Adaptation Learning Mechanism (ALM) platform. Cabo Verde focused on capturing lessons learned in a partnership with the National Agricultural Research Institute (INIDA) for the development of a practical guide to farmers and extension workers on drip irrigation.

40. *Management support:* The Zimbabwe project (GEF ID 3156) indicated the need for greater focus on the management aspects of adaptation measures alongside the technology aspects to guarantee further development and dissemination of pilot projects' results. The Mozambique project (GEF ID 3155) adds to this by stating that success in implementation depends on having the right people, with the needed management and leadership skills in the right positions. The management support needed is also influenced by implementation demands imposed on government staff, and the Ethiopia project (GEF ID 3154) indicated that if most management decision making is put in the hands of the government counterpart the need for technical management support towards these decision makers increases. Management support in Thailand and Cambodia (GEF IDs 3299; 3404) focused on supporting beneficiaries. The Thailand project indicated that capacity development in management and financial accountability was very much appreciated by interviewed beneficiary groups, whereas the Cambodia project described a process of 'hand-holding support from local authorities'.

41. *Project design phase:* A lesson learned from the Ethiopia project (GEF ID 3154) is that the project inception phase should focus on developing a comprehensive implementation strategy and monitoring plan. The importance of this is supported by the Bhutan project (GEF ID 3219) stating that a good project design leads to a good implementation, which in turn leads to good

project results. The Samoa project (GEF ID 3358) concluded that partnership arrangements should be formalized in memoranda of understanding before project approval. Both the Samoa and the Burkina Faso project (GEF ID 3684) indicated that key stakeholders need to take part in the development of the project plan.

42. *Adaptive management:* Bhutan, Niger and Samoa (GEF IDs 3219; 3319; 3358) all identified adaptive management as management approach that enables responding to stakeholders and beneficiaries' needs and priorities with the capacity to adapt to changes, including disruptive events, and yet maintain a project's overall efficiency and effectiveness. Samoa was struck by tropical cyclone Evan during project implementation, and adaptive management helped to adjust project activities to accommodate the changed reality.

Content-Technical: Climate Change Adaptation

43. Seven of the thirteen projects analyzed came to adaptation specific lessons learned. The Zimbabwe project (GEF ID 3156) and the Burkina Faso project (GEF ID 3684) both concluded that climate change adaptation is inherently multidisciplinary and sectorial. It takes a joint, concerted effort, regular technical backstopping and multi-year refinement of field technologies based on local experience and field-level challenges to ensure that effective climate change adaptation measures are accepted, adopted and sustained. The Zimbabwe lesson learned continues to say that increased food security and income benefits of crop diversification, improved crop varieties, moisture conservation and small scale irrigation, and local, seasonal rainfall forecasting are major potential drivers of sustainability and replication of the climate change adaptation measures. In support of the replication of adaptation measures there is a need for a common knowledge-based adaptation framework coordinated by local authorities to avoid maladaptation. The Mozambique project (GEF ID 3155) came to a similar lesson learned regarding adaptation interventions needing to be locally contextualized. The sharing of climate-relevant knowledge and experience between farmers of different zones or regions is the preferred way of empowering local communities. Another lesson learned in Mozambique is that there are limits to adaptation, and water demanding economic activities cannot succeed in semi-arid areas that are getting dryer. The China project (GEF ID 3265) on the other hand shared in its lessons learned that it is possible to provide a climate adaptation focus to most water and agriculture-related investments.

44. The Economic Analysis of Adaptation Options project (GEF ID 3679) concluded that the outcome variables for climate change adaptation interventions are not as simple as for mitigation interventions. Methodological approaches or methods for adaptation analysis and M&E should include guidance on how to match tools, approaches, or methods to the (decision) environment. Sensitivity for the local context is also the focus of the adaptation lesson learned from the Thailand project (GEF ID 3299), which concludes that incorporating climate change adaptation into community spatial plans, e.g. through land use planning, would likely provide frameworks that could be used to more strategically guide local socio-economic development plans. The Samoa project's (GEF ID 3358) adaptation lesson learned has equally a strategic and planning focus, stating that climate information and climate risk forecasting should be integrated in the sectorial management plans and strategies. The Mozambique project (GEF ID 3155) adds that adaptation is not a linear process and cultural change at deeper assumptions levels will take time and money.

MANAGEMENT ACTION RECORD

45. The GEF management action record (MAR) tracks the level of adoption by the GEF Secretariat and/or the GEF partner Agencies (together here referred to as GEF management) of GEF Council and LDCF/SCCF Council decisions that have been made on the basis of GEF IEO recommendations. The MAR serves two purposes: “(1) to provide Council with a record of its decision on the follow-up of evaluation reports, the proposed management actions, and the actual status of these actions; and (2) to increase the accountability of GEF management regarding Council decisions on monitoring and evaluation issues.”⁵

46. The MAR for the LDCF/SCCF tracks the LDCF/SCCF Council’s November 2011 decisions on recommendations of the evaluation of the SCCF. In the MAR the IEO completes the columns pertaining to recommendations, management response, and Council decisions. Management is invited to provide a self-rating of the level of adoption of Council decisions on recommendations and to add comments as necessary. After management's self-rating, the Office verifies actual adoption and provides its own ratings and comments. The rating categories for the progress of adoption of Council decisions were agreed upon through a consultative process of the Evaluation Office, the GEF Secretariat, and the GEF partner Agencies. Categories are as follows:

- (a) **High:** fully adopted and fully incorporated into policy, strategy or operations.
- (b) **Substantial:** decision largely adopted but not fully incorporated into policy, strategy or operations as yet.
- (c) **Medium:** adopted in some operational and policy work, but not to a significant degree in key areas.
- (d) **Negligible:** no evidence or plan for adoption, or plan and actions for adoption are in a very preliminary stage.
- (e) **Not rated or possible to verify yet:** ratings or verification will have to wait until more data is available or proposals have been further developed.
- (f) **N/A:** not-applicable (see commentary).

47. The LDCF/SCCF Council decision comprises three sub-components, requesting the Secretariat to: (a) prepare proposals to ensure transparency of the project pre-selection process; (b) disseminate good practices through existing channels; and (c) enhance visibility of the fund by requiring projects to identify their funding source. Sub-components (a) and (b) have been assessed by LDCF/SCCF Management and verified by the IEO as fully adopted (high rating). They are no longer being tracked.

48. The level of adoption of sub-component (c) of the LDCF/SCCF Council decision on increasing visibility of the fund, has been assessed by the management and verified by the IEO as substantial. The IEO notes the continued work with agencies to highlight and promote the

⁵ GEF Council, “Procedures and Format of the GEF Management Action Record.” GEF/ME/C.27/3., GEF Council November, 2005.

identity of the LDCF/SCCF projects and programs through the GEF policy channel, which applies also to LDCF/SCCF (GEF communication and visibility policy in GEF/C.40/08) and that the GEF has been working with its agencies to increase the visibility of LDCF/SCCF funded projects through joint initiatives and using various platforms such as UNFCCC events, other conferences, press releases, announcements, publications, including the adaptation book, and a forthcoming documentary. This sub-component of the 2011 LDCF/SCCF Council decision will be tracked in MAR 2015.

49. A complete version of MAR 2014 is published separately on the GEF IEO website: www.gefio.org.

ANNEX A: TERMINAL EVALUATION REPORT REVIEW GUIDELINES

1. The assessments in the terminal evaluation reviews will be based largely on the information presented in the terminal evaluation report. If insufficient information is presented in a terminal evaluation report to assess a specific issue such as, for example, quality of the project's monitoring and evaluation system or a specific aspect of sustainability, then the preparer of the terminal evaluation reviews will briefly indicate so in that section and elaborate more if appropriate in the section of the review that addresses quality of report. If the review's preparer possesses other first-hand information such as, for example, from a field visit to the project, and this information is relevant to the terminal evaluation reviews, then it should be included in the reviews only under the heading "Additional independent information available to the reviewer." The preparer of the terminal evaluation review will take into account all the independent relevant information when verifying ratings.

A.1 Criteria for Outcome Ratings

2. Based on the information provided in the terminal evaluation report, the terminal evaluation review will make an assessment of the extent to which the project's major relevant objectives were achieved or are expected to be achieved⁶, relevance of the project results, and the project's cost-effectiveness. The ratings on the outcomes of the project will be based on performance on the following criteria:⁷

- (a) **Relevance.** Were project outcomes consistent with the focal area/operational program strategies and country priorities? Explain.
- (b) **Effectiveness.** Are project outcomes commensurate with the expected outcomes (as described in the project document) and the problems the project was intended to address (that is, the original or modified project objectives)?
- (c) **Efficiency.** Include an assessment of outcomes and impacts in relation to inputs, costs, and implementation times based on the following questions: Was the project cost-effective? How does the project's cost/time versus outcomes equation compare to that of similar projects? Was the project implementation delayed due to any bureaucratic, administrative, or political problems and did that affect cost-effectiveness?

3. An overall rating will be provided according to the achievement and shortcomings in the three criteria ranging from highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, highly unsatisfactory, and unable to assess.

⁶ *Objectives* are the intended physical, financial, institutional, social, environmental, or other development results to which a project or program is expected to contribute (OECD DAC 2010).

⁷ *Outcomes* are the likely or achieved short-term and medium-term effects of an intervention's outputs. Outputs are the products, capital goods, and services that result from a development intervention; these may also include changes resulting from the intervention that are relevant to the achievement of outcomes (OECD DAC 2010). For the GEF, environmental outcomes are the main focus.

4. The reviewer of the terminal evaluation will provide a rating under each of the three criteria (relevance, effectiveness, and efficiency). Relevance of outcomes will be rated on a binary scale: a ‘satisfactory’ or an ‘unsatisfactory’ rating will be provided. If an ‘unsatisfactory’ rating has been provided on this criterion, the overall outcome achievement rating may not be higher than “unsatisfactory”. Effectiveness and Efficiency will be rated as following:

- (a) **Highly satisfactory.** The project had no shortcomings.
- (b) **Satisfactory.** The project had minor shortcomings.
- (c) **Moderately satisfactory.** The project had moderate shortcomings.
- (d) **Moderately unsatisfactory.** The project had noticeable shortcomings.
- (e) **Unsatisfactory.** The project had major shortcomings.
- (f) **Highly unsatisfactory.** The project had severe shortcomings.
- (g) **Unable to assess.** The reviewer was unable to assess outcomes on this dimension.

5. The calculation of the overall outcomes score of projects will consider all three criteria, of which relevance criterion will be applied first - the overall outcome achievement rating may not be higher than “unsatisfactory”. The second constraint that is applied is that the overall outcome achievement rating may not be higher than the “effectiveness” rating. The third constraint that is applied is that the overall rating may not be higher than the average score of effectiveness and efficiency criteria calculated using the following formula:

$$\text{Outcomes} = (b + c) \div 2$$

6. In case the average score is lower than the score obtained after application of the first two constraints, then the average score will be the overall score. The score will then be converted into an overall rating with mid values being rounded up upwards.

A.2 Impacts

7. Has the project achieved impacts, or is it likely that outcomes will lead to the expected impacts? Impacts will be understood to include positive and negative, primary and secondary long-term effects produced by a development intervention. They could be produced directly or indirectly and could be intended or unintended. The terminal evaluation review’s preparer will take note of any mention of impacts, especially global environmental benefits, in the terminal evaluation report including the likelihood that the project outcomes will contribute to their achievement. Negative impacts mentioned in the terminal evaluation report should be noted and recorded in section 2 of the terminal evaluation reviews template in the subsection on “Issues that require follow-up.” Although project impacts will be described, they will not be rated.

A.3 Criteria for Sustainability Ratings

Sustainability will be understood as the likelihood of continuation of project benefits after completion of project implementation (GEF 2000). To assess sustainability, the terminal

evaluation reviewer will identify and assess the key risks that could undermine continuation of benefits at the time of the evaluation. Some of these risks might include the absence of or inadequate financial resources, an enabling legal framework, commitment from key stakeholders, and enabling economy. The following four types of risk factors will be assessed by the terminal evaluation reviewer to rate the likelihood of sustainability of project outcomes: financial, sociopolitical, institutional frameworks and governance, and environmental.

8. The following questions provide guidance to assess if the factors are met:

- (a) **Financial resources.** What is the likelihood that financial resources will be available to continue the activities that result in the continuation of benefits (income-generating activities, and trends that may indicate that it is likely that in future there will be adequate financial resources for sustaining project outcomes)?
- (b) **Sociopolitical.** Are there any social or political risks that can undermine the longevity of project outcomes? What is the risk that the level of stakeholder ownership is insufficient to allow for project outcomes/benefits to be sustained? Do the various key stakeholders see in their interest that the project benefits continue to flow? Is there sufficient public/stakeholder awareness in support of the long-term objectives of the project?
- (c) **Institutional framework and governance.** Do the legal frameworks, policies, and governance structures and processes pose any threat to the continuation of project benefits? While assessing this parameter, consider if the required systems for accountability and transparency, and the required technical know-how, are in place.
- (d) **Environmental.** Are there any environmental risks that can undermine the future flow of project environmental benefits? The terminal evaluation should assess whether certain activities in the project area will pose a threat to the sustainability of project outcomes. For example, construction of dam in a protected area could inundate a sizable area and thereby neutralize the biodiversity-related gains made by the project.

9. The reviewer will provide a rating under each of the four criteria (financial resources, sociopolitical, institutional, and environmental) as follows:

- (a) **Likely.** There are no risks affecting that criterion of sustainability.
- (b) **Moderately likely.** There are moderate risks that affect that criterion of sustainability.
- (c) **Moderately unlikely.** There are significant risks that affect that criterion of sustainability.
- (d) **Unlikely.** There are severe risks affecting that criterion of sustainability.
- (e) **Unable to assess.** Unable to assess risk on this dimension.
- (f) **Not applicable.** This dimension is not applicable to the project.

10. A number rating 1–4 will be provided in each category according to the achievement and shortcomings with likely = 4, moderately likely = 3, moderately unlikely = 2, unlikely = 1, and not applicable = 0. A rating of unable to assess will be used if the reviewer is unable to assess any aspect of sustainability. In such instances, it may not be possible to assess the overall sustainability.

11. All the risk dimensions of sustainability are critical. Therefore, the overall rating will not be higher than the rating of the dimension with the lowest rating. For example, if the project has an unlikely rating in either of the dimensions, then its overall rating cannot be higher than unlikely, regardless of whether higher ratings in other dimensions of sustainability produce a higher average

A.4 Criteria for Assessment of Quality of Project M&E Systems

12. GEF projects are required to develop M&E plans by the time of work program inclusion, to appropriately budget M&E plans, and to fully carry out the M&E plan during implementation. Project managers are also expected to use the information generated by the M&E system during project implementation to improve and adapt the project to changing situations. Given the long-term nature of many GEF projects, projects are also encouraged to include long-term monitoring plans that measure results (such as environmental results) after project completion. Terminal evaluation reviews will include an assessment of the achievement and shortcomings of M&E systems.

- (a) **M&E design.** Project should have a sound M&E plan to monitor results and track progress in achieving project objectives. An M&E plan should include a baseline (including data, methodology, and so on), SMART (specific, measurable, achievable, realistic, and timely) indicators and data analysis systems, and evaluation studies at specific times to assess results. The time frame for various M&E activities and standards for outputs should have been specified. Questions to guide this assessment include: In retrospect, was the M&E plan at entry practicable and sufficient (sufficient and practical indicators identified; timely baseline; targets created; effective use of data collection; analysis systems including studies and reports; practical organization and logistics in terms of what, who, and when for M&E activities)?
- (b) **M&E plan implementation.** The M&E system was in place and allowed the timely tracking of results and progress toward project objectives throughout the project. Annual project reports were complete, accurate, and with well-justified ratings. The information provided by the M&E system was used to improve and adapt project performance. An M&E system should be in place with proper training for parties responsible for M&E activities to ensure that data will continue to be collected and used after project closure. Question to guide this assessment include: Did the project M&E system operate throughout the project? How was M&E information used during the project? Did it allow for tracking of progress toward project objectives? Did the project provide proper training for parties responsible for M&E activities to ensure data will continue to be collected and used after project closure?

- (c) **Other questions.** This includes questions on funding and whether the M&E system was a good practice.
- (d) Was sufficient funding provided for M&E — in the budget included in the project document?
- (e) Was sufficient and timely funding provided – for M&E during project implementation?
- (f) Can the project M&E system be considered – a good practice?

13. A number rating 1–6 will be provided for each criterion according to the achievement and shortcomings with highly satisfactory = 6, satisfactory = 5, moderately satisfactory = 4, moderately unsatisfactory = 3, unsatisfactory = 2, highly unsatisfactory = 1, and unable to assess = no rating. The reviewer of the terminal evaluation will provide a rating under each of the three criteria (M&E design, M&E plan implementation, and M&E properly budgeted and funded) as follows:

- (a) **Highly satisfactory.** There were no shortcomings in that criterion of the project M&E system.
- (b) **Satisfactory.** There were minor shortcomings in that criterion of the project M&E system.
- (c) **Moderately satisfactory.** There were moderate shortcomings in that criterion of the project M&E system.
- (d) **Moderately unsatisfactory.** There were significant shortcomings in that criterion of the project M&E system.
- (e) **Unsatisfactory.** There were major shortcomings in that criterion of the project M&E system.
- (f) **Highly unsatisfactory.** There was no project M&E system.

14. The rating for M&E during implementation will be the overall rating of the M&E system:

Rating on the Quality of the Project Monitoring and Evaluation System = b