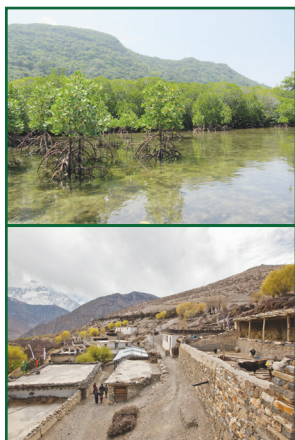


GEF Annual Impact Report 2011



The 2011 *Annual Impact Report* of the Global Environment Facility (GEF) Independent Evaluation Office presents progress on three studies: Impact Evaluation of GEF Activities in the South China Sea and Adjacent Areas, Assessment of Quality at Entry of Arrangements to Measure Impact, and Impact Evaluation on

Climate Change Mitigation. It also discusses how the Office is mainstreaming impact evaluations across different evaluation streams and across the GEF partnership.

Impact Evaluation of GEF Activities in the South China Sea and Adjacent Areas

The South China Sea and adjacent water bodies are known for their rich biodiversity and natural resources. Forty years of rapid economic growth in the region, however, have resulted in growing coastal habitat destruction, increased pollution, and overfishing; these now threaten the sustainability of the social, economic, and ecological services these water bodies provide. The region also has a legacy of territorial disputes. These features make addressing the transboundary environmental concerns of these international waters both important and challenging.

Since 1992, the GEF has allocated about \$110 million for transboundary projects in the South China Sea and adjacent international waters through 35 medium- and full-size projects, and \$2.9 million through 150 small grants. Cofinancing commitment for these activities is an additional \$693.7 million.

This impact evaluation seeks to analyze the extent to which GEF support has contributed or is likely to contribute to changes in policies, technology, management practices, and other behaviors that will address the priority transboundary environmental concerns in the South China Sea, the Gulf of Thailand,

and adjacent areas. The evaluation uses a combination of methods, including theory of change-based approaches, and tools inspired by complex system theory.

The evaluation was carried out in three phases. The first phase consisted of the development of the theory of change for the clusters of GEF-supported projects in the region. The second phase consisted of data gathering along the following lines of inquiry: portfolio analysis, examination of the regional dimensions of GEF support in the region, and country case studies. The third phase is of data analysis and synthesis.

The evaluation used various forms of stakeholder involvement, including the technical advisory group and reference group constituted for this evaluation. It also drew on the GEF International Waters Task Force to strengthen its scientific and technical aspects.

Assessment of Quality at Entry of Arrangements to Measure Impact

Determining the impact of GEF activities depends on the quality of information available for impact analysis. Several GEF overall performance studies noted considerable gaps in the evidence base for impact due to weaknesses in arrangements and implementation of monitoring and evaluation of GEF projects and programs. Therefore, oversight of quality at entry of arrangements to measure impact and their implementation is important. To this end, the Independent Evaluation Office, in collaboration with the Scientific and Technical Advisory Panel, looked to assess the quality of arrangements to measure impact and to provide feedback on the effectiveness of quality control mechanisms for impact measurement arrangements in project and program proposals. A representative sample of 55 projects and programs endorsed by the GEF Chief Executive Officer in fiscal year 2011 has been selected for this assessment, and an approach paper prepared.

Impact Evaluation of Climate Change Mitigation

The Independent Evaluation Office is undertaking an impact evaluation of GEF support under climate change mitigation. This evaluation focuses on assessing impacts of a theme, priority, or project cluster pertaining to climate change mitigation in which the GEF has made major investments, and which continues to be important. To ensure the utility of the evaluation, the GEF Secretariat and the GEF Scientific and Technical Advisory Panel are being consulted. To determine the focus of the evaluation, the Office is conducting a preliminary analysis of the GEF project portfolio on climate change mitigation. Based on the findings of the analysis and in consultation with the Climate Change Task Force and the Scientific and Technical Advisory Panel, the Office will determine the specific focus of the evaluation.

Mainstreaming Impact Evaluation across Different Evaluation Streams

The Independent Evaluation Office is mainstreaming impact evaluation across its other evaluation streams. In country portfolio evaluations, this is done through documentation of catalytic impacts and long-term achievements of GEF activities, and by review of outcomes to impacts (ROtI) analyses. In performance evaluations, impact criteria are included in the terminal evaluations of GEF projects and terminal evaluation reviews. For thematic evaluations, the Fifth Overall Performance Study will mainstream impact evaluation when assessing focal area strategies and tracking tools, and more broadly in specific evaluations when appropriate.

The Independent Evaluation Office has carried out ROtIs of nine projects within country portfolio evaluations. While no conclusions can be drawn from such a small sample, the evidence shows that GEF support for information generation, knowledge management, and awareness building may have considerable influence on policy making. At the same time, and consistent with findings of the Fourth Overall Performance Study, new ROtI assessments indicate that a variety

of external factors must be taken into consideration. For example, in several instances, the absence of appropriate policy and regulatory frameworks, market outlets, and financial support instruments made uptake of new technologies limited or unlikely. In three projects, poor design and weak assumptions contributed to implementation failure.

The Independent Evaluation Office reviewed terminal evaluations for impact-related evidence of environmental stress reduction and status change at project completion. More than half of the 25 terminal evaluations assessed reported local-level environmental stress reduction, 8 percent (2 projects) reported stress reduction at the transboundary level, 20 percent (5 projects) reported positive changes in environmental status at the local level, and 28 percent (7 projects) reported positive improvement in socioeconomic parameters. Because terminal evaluations provide evidence only up to project completion, positive environmental or socioeconomic status change was not reported for any of the projects at a systemic level.

The impact-related evidence drawn from the various evaluation streams forms the basis for findings and recommendations presented to the GEF Council. For example, during the next reporting period, the Independent Evaluation Office will present combined findings on the quality of arrangements to measure impact from the South China Sea impact evaluation, terminal evaluation reviews, country portfolio evaluations, and GEF focal area tracking tools. This information will assist the Office in proposing actions to strengthen the evidence base for impact evaluation.

The GEF Independent Evaluation Office is an independent entity reporting directly to the GEF Council, mandated to evaluate the focal area programs and priorities of the GEF. The full version of *GEF Annual Impact Review 2011* (Evaluation Report No. 68) is available on the GEF Independent Evaluation Office website, www.gefeo.org. For more information, please contact the Office at gefevaluation@thegef.org.