

Joint GEF–Sri Lanka Country Portfolio Evaluation (1991–2012)



The Global Environment Facility's (GEF's) Independent Evaluation Office partnered with the Sri Lankan Ministry of Finance and Planning to jointly manage an evaluation focused

on the country's GEF portfolio of 23 national projects, accounting for \$396 million in GEF funding (\$60 million) and cofinancing (\$336 million) over 20 years. This national portfolio consists of 14 full-size projects, 3 medium-size projects, and 6 enabling activities. Additionally, the GEF Small Grants Programme has made 330 grants in Sri Lanka totaling \$9.8 million; \$6.5 million of this was provided directly by the GEF. Sri Lanka is also involved in three regional and nine global projects.

In Sri Lanka, the GEF has invested in an equal number of projects (nine each) in the biodiversity and climate change focal areas, but climate change–related projects have received 80 percent of the total budgetary allocations; funding in this focal area has primarily supported renewable energy initiatives.

Sri Lanka's rich and unique biodiversity forms the basis for the country's natural heritage, which is linked to its economic advancement. Sri Lanka and the Western Ghats of India is 1 of 35 global biodiversity hotspots, recognized for high flowering plant endemism and 70 percent loss of its original habitat. This indicates the globally significant nature of the biodiversity and the urgency of protecting it. Responding to the need for conserving the biological wealth of Sri Lanka, GEF support from inception has emphasized biodiversity, building country capacity and focusing attention on emerging subjects such as the sustainable use of bio-resources, genetic resources, biosafety, agrobiodiversity, and wild crops.

Although Sri Lanka is a negligible contributor to global warming, the island state is highly vulnerable to the impacts of climate change. Climate change interventions supported by the GEF have largely responded to Sri Lanka's desire to expand electricity coverage to areas the grid could not reach. The commercial orientation of the GEF projects in this area and the community organizations created have enabled both the renewable energy policy development process and the development of further project initiatives to continue after GEF support ended.

Findings and Conclusions

Results and Effectiveness

- GEF projects in biodiversity have effectively supported actions identified by the Sri Lanka Ministry of Environment and related Departments.
- In climate change, GEF-supported activities have created an enabling environment for renewable energy through removal of barriers and establishment of transparent tariff mechanisms, enabling market transformation and uptake beyond GEF support.
- The use and incorporation of lessons from previous projects has been at best ad hoc in the early GEF phases.
- Results are mixed in relation to the effectiveness of GEF support to Sri Lanka in producing results that last over time and continue after project completion.
- GEF-supported projects have not followed a gradual progression from foundational activities to demonstration and then investment, leading to less progress toward impact after project closure.
- GEF support to Sri Lanka has had a demonstration effect in linking environmental conservation measures with compatible sustainable livelihood and development activities.

Relevance

- Although limited in spread of activities and project ideas, GEF support has helped Sri Lanka meet its international commitments as well as a number of key national concerns.
- GEF support is aligned to Sri Lanka's environmental and sustainable development objectives in terms of laws, plans, and policies, but weaknesses in the implementation of such laws and policies reduce the full integration of environmental concerns into sectoral agendas.
- Ownership of projects and their performance is linked to who carried out the design, what sort of process was used, and how they are able to align them to their own sectoral priorities and availability of funds.
- Although the GEF Sri Lanka portfolio is strongly relevant to global environmental benefits in biodiversity, it is not so well aligned to other GEF focal areas, including land degradation and international waters.

Efficiency

- The time taken for project approval has increased over time.
- Extension of project implementation has happened mostly in biodiversity projects.
- Monitoring and evaluation (M&E) in GEF projects in Sri Lanka is not fully operationalized.
- GEF projects have applied adaptive management to steer project implementation.
- Different project implementation modalities have shown mixed levels of synergy and stakeholder coordination.
- Different budget cycles of the Sri Lankan government and the GEF project cycle result in a longer time taken for project approval.

Recommendations

To the GEF Council

- In compliance with the fourth minimum requirement of the GEF M&E Policy, GEF Agencies should ensure that M&E reports are made available to the GEF operational focal point and relevant national stakeholders.

To the Government of Sri Lanka

- The GEF operational focal point should steer the national portfolio formulation for GEF-6 in a way that all the crucial environmental challenges Sri Lanka faces are addressed, including land degradation and international waters.
- The Ministry of Environment should play a stronger role in systematically coordinating the GEF portfolio for greater impact and sharing of lessons, including across sectors.
- The GEF operational focal point should ensure that project proposals have a clear link to national priorities prior to submission through the national as well as the GEF approval process.

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 the *Joint GEF–Sri Lanka Country Portfolio Evaluation (1991–2012)* (Evaluation Report No. 96) is available on the GEF Independent Evaluation Office website, www.gefeo.org. For more information, please contact the Office at gefevaluation@thegef.org.