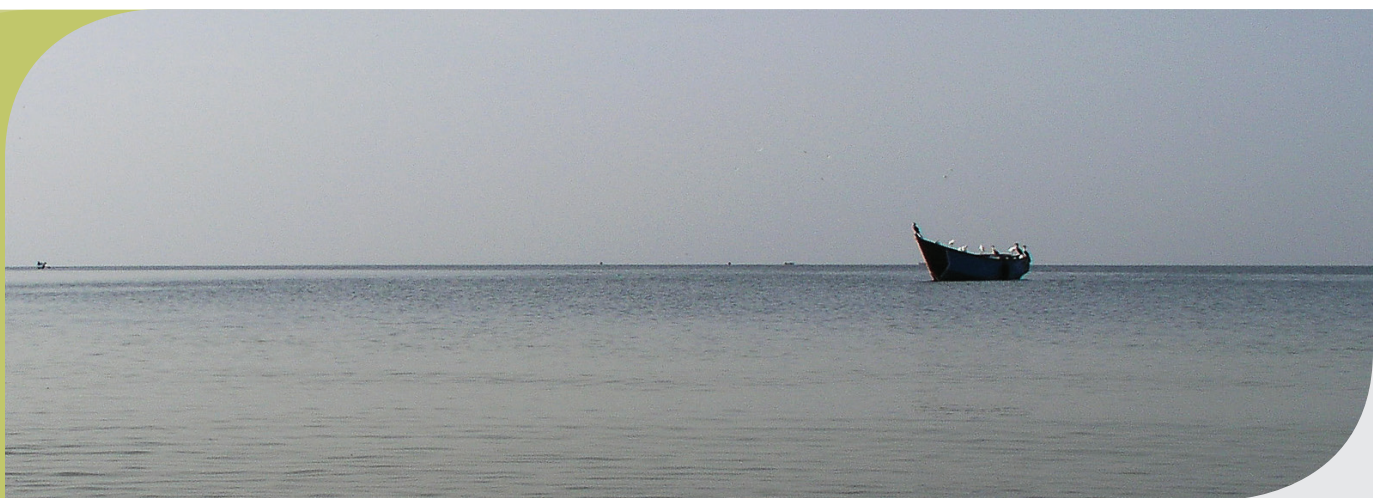




The GEF Council established the IW focal area and adopted its operational strategy 20 years ago. This is the IEO's third study of the focal area.

KEY FINDINGS

1. High level of contemporary relevance. The GEF IW focal area was established to support countries to jointly manage transboundary water systems and implement the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services. The foundations established for the IW focal area by the 1995 Operational Strategy have continued to inform actions throughout the GEF-4, GEF-5, and GEF-6 replenishment cycles. The focal area strategies have evolved to embrace changing global priorities, and focal area actions have been expanded to address new environmental threats to sustainable development. The focal area is particularly suited to contribute to the achievement of a number of Sustainable Development Goal (SDG) targets. Based on the project concepts approved as of June 2016, the focal area is responding to GEF-6 programming directions.

The only subject not currently covered regards high-altitude melting glaciers.

2. Largely satisfactory performance. Several evaluations have cited the IW focal area for the high broader adoption of policies and practices promoted by its projects (it is the highest rated among GEF focal areas in this regard), its demonstrated ability to leverage high amounts of cofinancing, its stepwise long-term approach to transboundary cooperation, its successful knowledge management efforts (particularly IW:LEARN), and its many projects achieving measurable stress reduction impacts.

3. A catalyst for integration. IW foundational projects have demonstrated that solutions to water concerns lie not just in improving water supply and treatment or in protecting aquatic ecosystems and environmental flows, but also—and often primarily—in distant sectors. So far, however, attempts to capture and fully develop the huge

PURPOSE AND METHODS: This study aimed to provide insights and lessons for the GEF-7 replenishment cycle. Its main objectives were to assess the current relevance of the international waters (IW) focal area and its effectiveness in creating an enabling environment for transboundary cooperation and stress reduction. The study is based on an analysis of the Global Environment Facility's (GEF's) IW portfolio (296 projects), terminal evaluations of completed projects, 43 stakeholder interviews, remote sensing analysis, and earlier evaluations.

WEB PAGE: www.gefio.org/evaluations/international-waters-focal-area-study-2016

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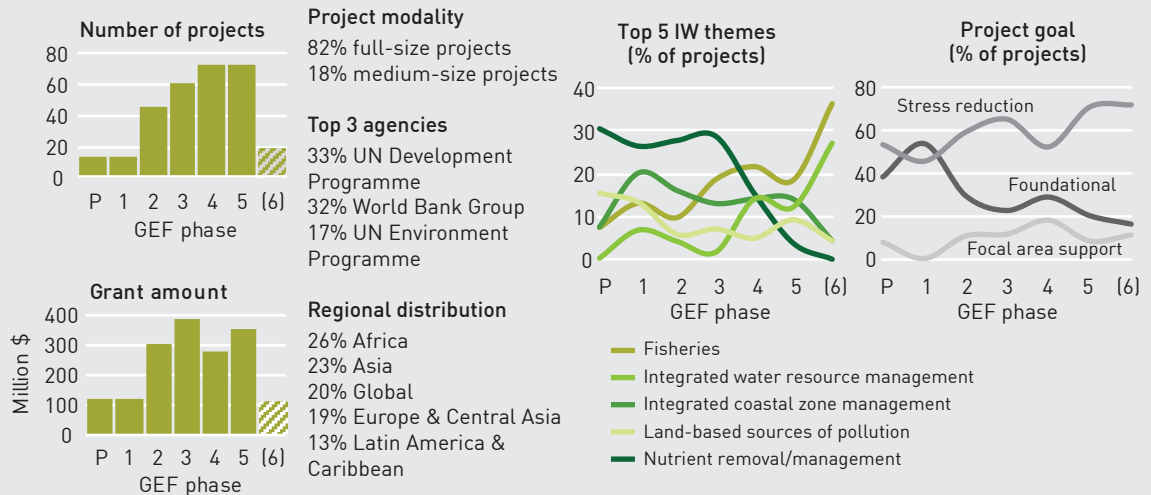
ABOUT US: The Independent Evaluation Office (IEO) of the GEF has a central role in ensuring the independent evaluation function within the GEF. www.gefio.org

PORTFOLIO HIGHLIGHTS

296
projects

\$1.68 billion
in grant funding

\$10.38 billion
in cofinancing



potential for improved overall GEF effectiveness inherent in joining the GEF focal areas toward common objectives have been limited by obstacles such as focal area silos, sectoral conventions, and difficulties in aligning country priorities with regional objectives.

4. The GEF's emphasis on more integrated actions provides a unique opportunity for focal areas to join forces and interact. There is substantial evaluative evidence that robust programmatic approaches are needed to address complex IW geographies and transboundary settings. The IW focal area can provide a valuable context for integration, specifically

through the strategic action programs (SAPs) agreed upon by governments of countries sharing a waterbody, based on the science and systemic approach of transboundary diagnostic analysis (TDA).

5. Promoting a collective response to global and regional agreements. While not serving any specific international agreement, IW focal area projects have provided important support to global and regional water-related agreements, from global conventions to programs of action and codes of conduct. This study has shown that, after the Convention on Biological Diversity and the Law of the Sea, the largest

level of support by the focal area is dedicated to marine fisheries-related agreements, followed by the Global Programme of Action and treaties related to freshwater, small island developing states, habitats, and navigation.

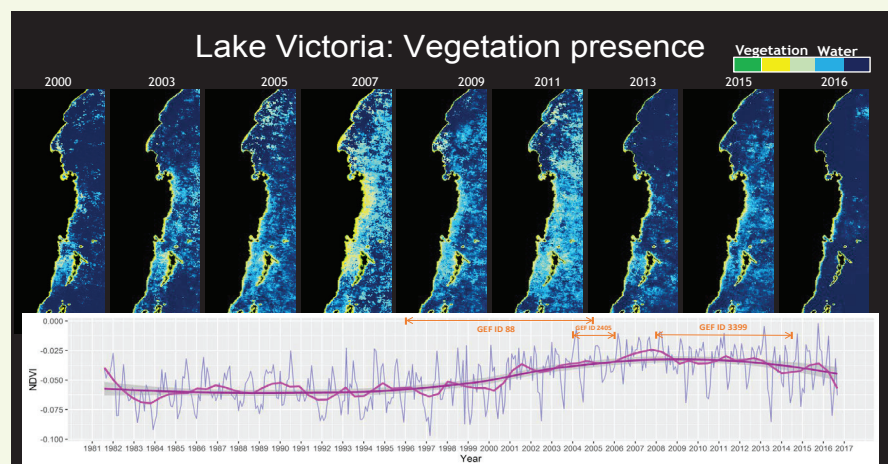
BACKGROUND

During 12 years of implementation, the 1995 Operational Strategy for International Waters was able, among other things, to establish the TDA-SAP process, setting the foundation for cooperation in a number of transboundary waterbodies.

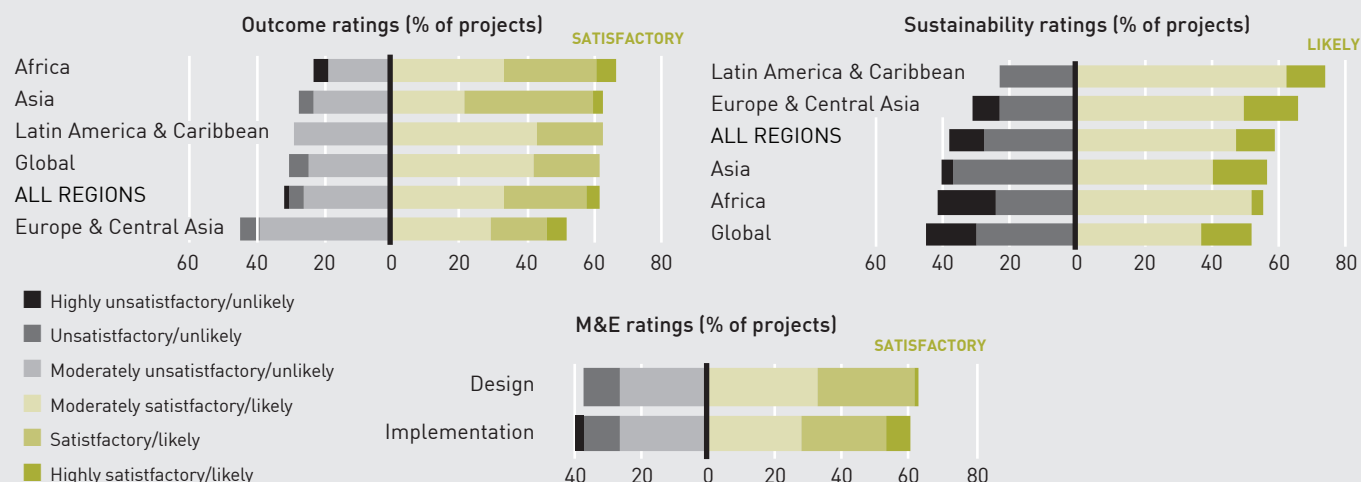
In 2006, there was a GEF-wide shift from single-project interventions to a

CASE STUDY

Remote sensing analysis demonstrates positive environmental change in Lake Victoria, influenced by three GEF-World Bank projects. Invasive water hyacinth spread across the lake since 1988, putting the economic and food security of millions at risk. Three consecutive projects (from 1996–2015) used various control methods against the infestation. Remote sensing analysis shows that lake vegetation has entered a declining phase since 2008.



PERFORMANCE HIGHLIGHTS



more programmatic focus. In this context, the IW focal area defined a set of strategic programs for GEF-4 supporting achievement of two long-term objectives: (1) to foster international, multistate cooperation on priority transboundary water concerns, and (2) to catalyze transboundary action addressing water concerns.

The GEF-5 IW Strategy built on this, and additionally called for action to protect living marine resources in the high seas and in areas beyond national jurisdiction. However, this growth in overall scope was not matched with increased funding; adding new fields of intervention was thus at the detriment of other, sometimes more important and better tested, areas. During GEF-5, several projects were multifocal, in response to the GEF Council's call for more integrated approaches. The major focus of the GEF-5 portfolio was fisheries.

The strategy adopted for the IW focal area during GEF-6 emphasizes water-related planetary boundaries and environmental tipping points. The strategy is in line with the priorities and guidance of the SDGs.

RESULTS

Satisfactory performance. Seventy-five percent of the completed projects in the IW portfolio have outcome ratings

in the satisfactory range. This performance is similar to ratings reported across all GEF focal areas. Sixty-two percent of projects have sustainability ratings of moderately likely or higher, based on the likelihood of project benefits continuing past project closure. This figure is similar to sustainability ratings across all GEF completed projects.

Fifty-three percent of rated projects have monitoring and evaluation (M&E) design ratings in the satisfactory range, and 56 percent have satisfactory M&E implementation ratings. While slightly lower than the M&E ratings for the overall GEF portfolio, the differences are not statistically significant.

Highlights of achievement. The IW focal area has a high level of projects that result in broader adoption of outcomes (67 percent), a demonstrated ability to leverage cofinancing (with a 1:6 ratio of GEF grant to realized cofinancing), and a stepwise long-term approach to transboundary cooperation.

GEF support in this focal area has contributed to the rehabilitation of the Black Sea dead zone; the adoption of the Ballast Water Convention on Alien Species, the Pacific Tuna Treaty, and the Guarani Aquifer Agreement; and demonstration projects that have led to the formulation of the Stockholm and Minamata Conventions, among others.

A catalyst for integration. The IW focal area follows a stepwise, long-term ecosystem-based approach to build transboundary cooperation and restore and protect transboundary waterbodies. This, together with its reliance on science and knowledge management, and its systemic view of the many interconnected variables controlling water, places the focal area in a unique position as a catalyst for integration.

CONCLUSIONS

1. Limited funding. The portfolio shows a trend in increasing investments in stress reduction, accompanied by a decrease in investments in foundational projects addressing new transboundary waterbodies. One possible explanation is that the funding envelope (the actual allocation to projects) declined in real terms. This funding constraint has been noted in every GEF overall performance study conducted to date, and all contain recommendations to expand IW funding in view of its high relevance and satisfactory results.

2. Coordination across focal areas. Solutions to transboundary water concerns identified in the SAPs require national actions in multiple dimensions and GEF focal areas. The IW focal area, through its ecosystem approach and

TDA-SAP consensus-building process, provides countries with the framework needed to direct part of their investments of GEF System for Transparent Allocation of Resources (STAR) funds where they are most needed to balance transboundary water uses. The programmatic approach funding modality is particularly suited to facilitate the joining of forces of focal areas in the implementation of IW SAPs. The GEF portfolio, however, does not show progress in this area.

3. Portfolio imbalance. The portfolio's evolution over time has led to an unbalanced situation between freshwater and marine projects, with a marked prevalence of GEF investments in marine projects, particularly those related to fisheries. The dominance of marine and ocean investments may limit the ability of the IW focal area to assist countries in facing challenges posed by climatic variability and water scarcity affecting the more vulnerable populations.

4. Funding project preparation. Fostering cooperation among riparian/littoral countries of shared waterbodies presents a number of hurdles that delay or even prevent action altogether. Among them is the important investment of resources that goes into project

or program preparation, when an Agency has to bring countries together and help them agree to join forces around difficult issues, as is often the case with scarce freshwater in downstream contexts. Because unfunded, preparation of a project identification form (PIF)/program framework document (PFD) is a high-risk operation for Agencies, which may tend to favor more predictable contexts for action. This lack of flexibility hinders IW work where it would be most needed, such as in areas of conflict or scarcity, or where upstream/downstream and sovereignty issues are more crucial.

5. Engaging the private sector.

There has been much interest in involving the private sector in IW projects both as a major stakeholder and as a source of additional funding. Results so far have not been encouraging. The latest IW conference explored ways to deepen relationships with the private sector.

6. Participation in the partnership.

All Agency representatives interviewed called for a revitalization of the GEF partnership and greater participation in developing strategies. Agencies reported they are not involved in strategic planning and that, with the expansion of the number of Agencies,

the dynamics of the IW Task Force have changed and it should accordingly adjust its coordination functions.

RECOMMENDATIONS

- Highlight relevance and science in project concepts.
- Emphasize flexibility in cooperation.
- Document completed project achievements.
- Give support and attention to a new generation of TDAs planned as part of the ongoing phase of IW:Learn.
- Ensure sufficient time and support to build capacity for action on new priority areas.
- No new themes should be added without a concurrent increase in the focal area allocation.
- Consider providing support for PIF/PFD preparation.
- Foster integration within the GEF and better coordinate with STAR programming. ■

