

IEO Learnings

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2020 PROGRAM EVALUATION OF THE LEAST DEVELOPED COUNTRIES FUND

The LDCF fills a critical niche in financing the climate adaptation efforts of least developed countries. This evaluation focuses on LDCF progress and performance since the 2016 evaluation.

Key findings of evaluation

- Least Developed Countries Fund (LDCF) projects are catalytic and foundational. Replication and scale-up are found less often than other catalytic effects such as producing public goods, and frequently require more financing.
- Fifty-six percent of the LDCF portfolio of completed projects are rated likely to sustain outcomes. The most frequently cited factors positively affecting sustainability are effective stakeholder engagement and the strong presence of other donors in country.
- Gender mainstreaming ratings have improved over time across the portfolio. However, the lack of gender-focused assessments in terminal evaluations results in a knowledge gap about gender-related results of LDCF projects.
- LDCF projects are responsive to the Global Environment Facility's (GEF's) adaptation strategy, particularly to the three strategic objectives: (1) reduce vulnerability and increase resilience through innovation and technology transfer for climate change adaptation, (2) mainstream climate change adaptation and resilience for systemic impact, and (3) foster enabling conditions for effective and integrated climate change adaptation. Private sector engagement, the focus of the two strategic pillars, has been less clear.
- A lack of resources available to fund new projects in the GEF-6 period led to efficiency declines in approving LDCF projects during this period. Interviewees note efficiency improvements during GEF-7.

The LDCF fills a critical niche in financing climate adaptation efforts of least developed countries (LDCs), including preparing national adaptation programs of action (NAPAs), implementing NAPA priority projects in LDCs, preparing the national adaptation plan process in eligible developing countries, and supporting other elements of the LDC work program. The main objective of this evaluation is to assess the progress the LDCF has made since the 2016 program evaluation and the extent to which the fund is achieving its planned objectives.

The evaluation focuses on the four-year period from October 2015 through September 2019. As of that date, the LDCF had 280 projects approved, with \$1.4 billion in LDCF financing and \$6.2 billion in cofinancing. The evaluation covered the entire LDCF portfolio. Figure 1 shows all countries that have received LDCF funding.

The evaluation used a mixed-methods approach encompassing both quantitative and qualitative sources of data, information, and analytical tools. Data collection included a literature review of LDCF-relevant evaluations and studies, a portfolio review of recently completed and approved projects, two country field visits—to Rwanda and Samoa—for postcompletion verification of project-level results, and stakeholder interviews.

Catalytic effects of the LDCF

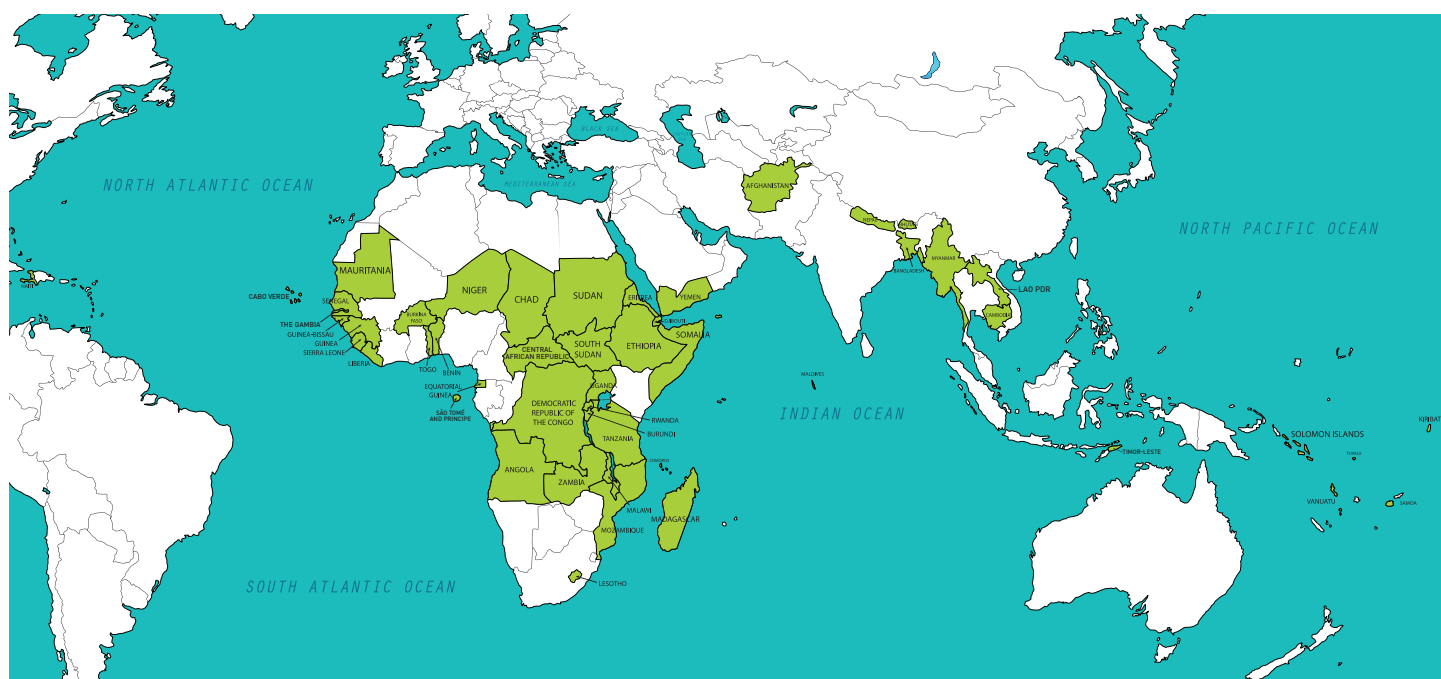
LDCF projects are catalytic and foundational. Seventy percent of completed projects reviewed were found to have produced public goods introducing new technologies or approaches from a

large to a very large extent (figure 2). Sixty percent of projects built foundations for larger-scale projects and showed some evidence of replication, and 55 percent improved management effectiveness. Half of the projects showed evidence of regional or national scale-up. Replication and scaling-up of approaches developed in a project is challenging to achieve, especially by project closure, and often requires additional financial support. Terminal evaluations that noted replication often pointed to follow-on funding either in a new LDCF project or a project by another donor. In the absence of follow-on funding, a combination of interest from beneficiaries and identification of financing can bring about replication. Projects had limited success developing longer-term partnerships and leveraging new resources. Portfolio review indicated that while many projects have conducted a participatory project design including communities, there is no evidence that local or traditional knowledge was effectively integrated into design.

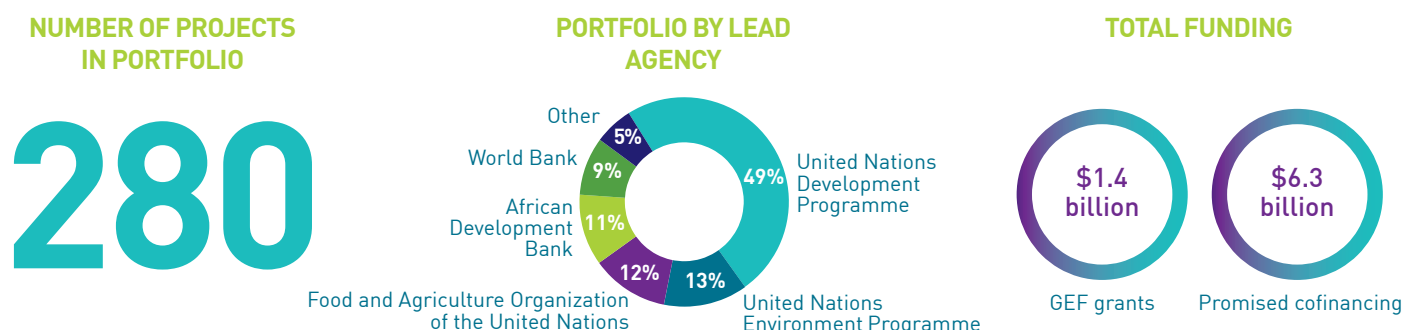
Sustainability

Fifty-six percent of the LDCF portfolio of completed projects are rated likely to sustain outcomes, based on predictions assessing risks at completion. To assess actual sustainability postcompletion, the evaluation team visited two projects. Both visits revealed evidence of sustainable outcomes, particularly those integrated into ongoing government work and budgets related to infrastructure, capacity building, and piloted activities. The Integration of Climate Change Risks and Resilience into Forestry Management in Samoa project made major lasting contributions to management techniques by integrating climate information

FIGURE 1 Countries that have received LDCF support

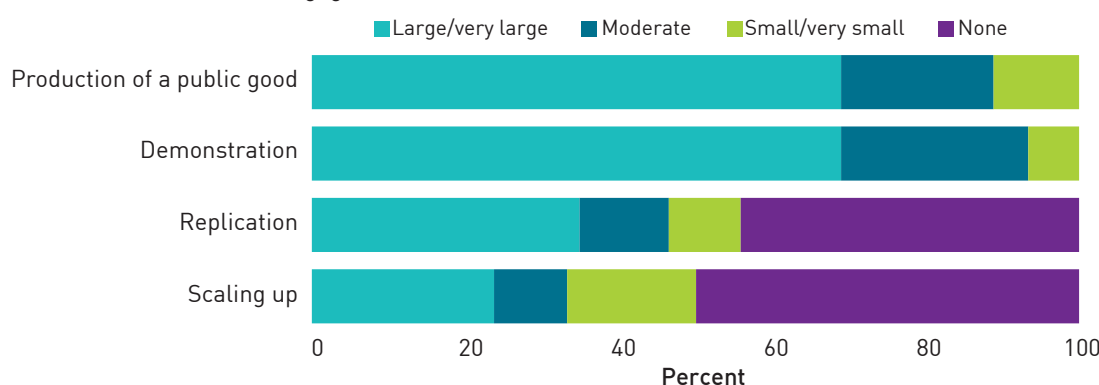


NOTE: LDCF support recipients Cabo Verde, Equatorial Guinea, Maldives, and Samoa (shown here) have graduated from LDC status. Projects are eligible to receive LDCF support if a country is classified as an LDC at the time of project identification form approval. The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the GEF or its partners.



SOURCE: GEF Portal.

FIGURE 2 Private sector engagement and outcome achievement



SOURCE: LDCF project design and performance documents.

into the Samoa Forest Resource Information System and tailoring Samoa's Climate Early Warning System to provide forestry information, as well as training government staff. A wide-scale training on agroforestry techniques also showed signs of continued uptake, although interviewees said uptake varied. The Reducing Vulnerability to Climate Change by Establishing Early Warning and Disaster Preparedness Systems and Support for Integrated Watershed Management in Flood Prone Areas project in Rwanda also delivered significant results that continued. These included establishing institutional capacity and infrastructure for forecasting and early warning systems, and farmland rehabilitation through terracing and agroforestry.

In both projects, there was less evidence of results from activities to mainstream climate change in policy and development plans—and, consequently, sustainability. In Samoa, while the project successfully completed a new forestry policy integrating climate risks and resilience, the policy ultimately did not pass. In Rwanda, project participants had largely forgotten work to mainstream climate in district development plans and the national Land Use Master Plan five years after the project was completed.

Many factors affect outcome sustainability. The most cited context-related factors (factors outside project management control) were natural disasters. Other context-related factors **hindering**

sustainability include financial shocks, political unrest or changes in government during implementation, as well as poor infrastructure in the country. Context factors noted as **helping** achieve sustainability include the strong presence of other donors in country and a stable government. Insufficient capacity of the project team, staff turnover, delays in recruitment, weak project design, and weak project management were the most frequently noted project-related factors

(inside project management control) **hindering** likely sustainability of project outcomes. Effective stakeholder engagement and effective coordination between executing partners were the most frequently noted project-related factors **contributing** to achieve likely sustainability of project outcomes.

Gender

Across the LDCF portfolio, gender mainstreaming ratings have improved over time. From GEF-4 to GEF-6, there is a clear improvement in the number of projects attaining at least a "gender sensitive" rating and which have created a gender action plan or mainstreaming strategy or indicated plans to develop one (GEF-7 projects are too early in development to assess). The improvements can be largely attributed to the GEF's own evolving requirements reflected in the new [Gender Equality Policy](#) and accompanying [Guidance to Advance Gender Equality in GEF Projects and Programs](#).

Most LDCF terminal evaluations fail to undertake any form of gender-focused assessment, even among those published after the GEF's Independent Evaluation Office guidelines made this a requirement. Fifty-six percent of recent terminal evaluations did not include any discussion of gender impacts or gender action plans. These gaps in reporting lead to limited evidence that LDCF

projects are implementing gender action plans or gender mainstreaming strategies.

Alignment with GEF adaptation strategies

LDCF support is most responsive to the three strategic objectives of the current GEF adaptation strategy: to (1) reduce vulnerability and increase resilience through innovation and technology transfer for climate change adaptation, (2) mainstream climate change adaptation and resilience for systemic impact, and (3) foster enabling conditions for effective and integrated climate change adaptation. Relevance to the two strategic pillars—expanding catalytic grant and nongrant investments, and supporting enabling environments for the private sector to act as an agent for market transformation—has been less clear, particularly with the regard to the latter pillar about enabling environments for the private sector. While new projects give more focus to private sector engagement, interviewees note that the distinguishing characteristics of the LDCF—a focus on adaptation and on LDCs—pose challenges for private sector engagement.

Efficiency

A lack of resources available to fund new projects lowered efficiency in approving LDCF projects during GEF-6. Project cycle analysis shows that during GEF-5, efficiency in the approval process for the LDCF was in line with other GEF-administered funds, but in GEF-6 the approval process slowed considerably. During GEF-6, LDCF approvals took 18 months longer than for the GEF Trust Fund and 22 months longer than for the Special Climate Change Fund (SCCF). Once implementation has begun, the efficiency of LDCF projects is comparable to other GEF-administered funds.

Interviewees note efficiency improvements during GEF-7 stemming from elimination of the pipeline and operational improvements introduced in the GEF Programming Strategy for the LDCF and SCCF. Despite reports of improved efficiency, GEF Agencies noted that the long pipeline experienced during GEF-6 left lingering doubts about the availability of resources, and that this continues to affect decisions about submitting project proposals.

Conclusions

1 LDCF project design contributes to achieving the three recently revised GEF adaptation strategic objectives; contributions to the two new strategic pillars focused on private sector investment were not as strong. This is partly because the pillar revisions were only adopted in 2018 and because these two pillars are related to private sector engagement, which is challenging in LDCs.

2 The LDCF portfolio's overall gender performance has improved with widespread use of gender analysis, supported by new guidance and requirements. Information is lacking on gender-related results of LDCF projects.

3 The lack of resources available for new projects during GEF-6 reduced the efficiency of the LDCF project approval process. The implementation efficiency of LDCF projects is comparable to GEF Trust Fund and SCCF projects.

4 LDCF support has resulted in catalytic efforts through production of public goods and their demonstration and built foundations for larger-scale projects.

5 Many factors, both in and outside a project's control, affect outcome sustainability. Common factors that hindered outcome sustainability include insufficient capacity of the project team, staff turnover and delays in recruitment, weak project design, and weak project management. Effective stakeholder engagement and effective coordination between executing partners contribute to sustainability.

Recommendations

1 Build on progress made on mainstreaming gender in the LDCF portfolio and aim to decrease the knowledge gap about gender-related results.

2 Continue to enhance the likelihood of the sustainability of outcomes, giving emphasis to project and context factors affecting sustainability during project design and implementation.



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