

Joint GEF-UNDP Evaluation of the Small Grants Programme



Independent Evaluation Office



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GLOBAL ENVIRONMENT FACILITY

The SGP helps communities help themselves. Its funding enables sustainable strategies and techniques to reduce threats to the global environment while securing livelihoods.

The principle strategy of the SGP is to provide small grants to needy communities to support their use of practices and techniques that benefit the global environment. This evaluation examines SGP effectiveness in meeting its objectives and identifies areas of improvement going forward.

KEY FINDINGS

1. High performance. The SGP is successful in producing benefits at multiple levels. SGP grants support projects that have high levels of success in securing global environmental benefits in both mature and newer program countries. The program's objective during OP5 was to secure global environmental benefits through community-based initiatives and actions. Often, SGP projects make contributions toward combating poverty and improving livelihoods while making progress on global environmental benefits. In approximately 85 percent of the projects visited by this evaluation, these positive influences have been confirmed. Expectations of the SGP achieving some form of broader adoption of grant

outcomes (mainstreaming, up-scaling, or replicating) began to emerge with the introduction of the upgrading policy. Although not a requirement, replication and scaling-up occurred at a local scale. The SGP deserves recognition for its contribution to results that extend beyond the project level.

2. Gender mainstreaming and women's empowerment. Since 2006, the SGP has undertaken several steps to promote gender mainstreaming—designing projects and policies to ensure gender equality as an outcome—and women's empowerment. The results are evident on the ground, with women gaining access to microcredit, time-saving technologies, better access to water and energy, and more.

3. Upgrading criteria need revisiting. Conclusions and recommendations of a 2008 joint GEF-UNDP evaluation of the SGP produced a concept of graduation that was defined in an upgrading policy. This upgrading policy began with two criteria that were not comprehensive enough to avoid

PURPOSE AND METHODS: This evaluation of the Small Grants Programme (SGP) covers 2008 to the present, with a particular focus on the fifth operational phase (OP5). It is a joint effort of the Independent Evaluation Offices (IEOs) of the Global Environment Facility (GEF) and the United Nations Development Programme (UNDP), and provides insights and lessons to make the upcoming operational phase more effective. The evaluation is based on a portfolio review of global databases; interviews with central-level SGP stakeholders; and 12 country studies encompassing focus groups, interviews, site visits, and documentation review. Altogether, 50 evaluations and 30 country program strategy documents were reviewed, and 48 percent of 2,449 surveys sent to stakeholders in 124 countries received responses.

WEB PAGE: <http://www.gefio.org/evaluations/joint-gef-undp-evaluation-small-grants-programme-sgp-2015>

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

upgrading countries that were not optimal for graduation, or let countries with optimal conditions for upgrading slip through. Further criteria were added for the sixth operational phase, but this issue is still not adequately addressed, as the same problems persist.

4. Improve monitoring and evaluation (M&E). Despite important progress since 2008—particularly at the global level—the M&E system has significant gaps and weaknesses at the national and project levels. Moreover, emerging issues such as addressing poverty, gender, broader adoption, and trade-offs place additional burdens on M&E systems. The issue is not a lack of resources, but rather a need for a sharper focus and better use of existing M&E resources.

BACKGROUND

The GEF created the SGP in 1992 with the explicit aim of developing community-led and -owned strategies and technologies for reducing threats to the global environment—concerning biodiversity loss, mitigating climate change, and protecting international waters—while addressing livelihood changes. The SGP is a corporate GEF program implemented by UNDP. The United Nations Office for Project Services (UNOPS) provides financial and administrative support to the program, and a global Central Programme Management Team (CPMT) provides supervision and technical support to program country activities.

The principle strategy of the SGP is to provide small grants up to a maximum of \$50,000 to needy communities to support the use of practices and techniques that benefit the global environment. Since start-up, the SGP has provided over 18,000 such grants to communities in more than 125 countries. In line with the overall GEF strategic approach, funds under the SGP are also used for related capacity development, M&E, knowledge management, scaling-up and replication, and project management.

The SGP was not initially designed to be permanent, and there were sunset provisions established for the duration

of each country program. The intent was to graduate country programs after a period of time, in order to create budget space for new countries as well as to encourage partner governments to take greater initiative on their own to support the environmental protection efforts of local government and civil society organizations (CSOs). Following a 2008 joint GEF-UNDP evaluation

“**No one particularly expected the SGP to enable broader adoption of grant outcomes. The SGP deserves recognition for that.**”

—Carlo Carugi, IEO Senior Evaluation Officer

of the SGP, the program became a permanent modality of the GEF, and the concept of graduation was further defined in an upgrading policy. Upgraded country programs were to be treated as a GEF full-size project (FSP) and funded through the general GEF program budget. Additionally, financial limits were placed on all SGP country programs to avoid squeezing out other GEF priorities.

The overall objective of the SGP during OP5 was to secure global environmental benefits through community-based initiatives and actions. An aim during OP5 was to expand coverage to 136 countries. The total GEF funding allocated to the SGP is \$288.28 million. Beyond GEF funds, total SGP cofinancing mobilized at the time of grant approval was \$345.24 million from diverse sources. OP5 was designed to contribute to the following GEF focal areas: biodiversity, climate change, land degradation, international waters, chemicals, and cross-cutting capacity development.

RESULTS

Delivering global environmental benefits. Evidence collected in the countries visited by the evaluation team indicates that SGP grants continue to support projects that have high levels of success in securing global environmental benefits in both mature and newer program countries. A total of 144 grant projects in 11 countries were visited and assessed with respect to their

relevance, effectiveness, and efficiency. Most (77 percent) grants led to moderate successes in line with designed goals for each project.

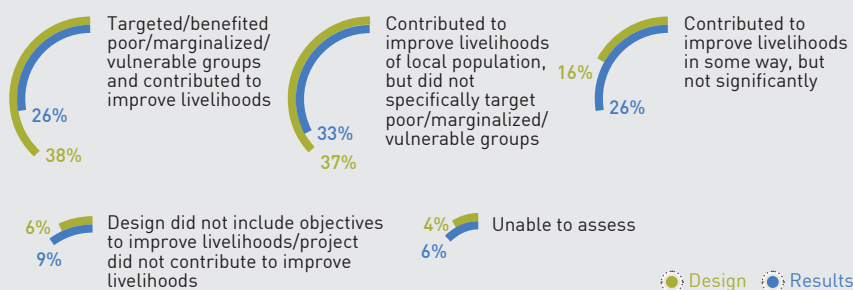
Over the last several years, around 60 percent of GEF projects have demonstrated a likelihood to be sustainable. A similar proportion of SGP projects demonstrate the same potential sustainability. Of the remainder, 37 percent

of projects face significant risks to their sustainability.

The evaluation team verified several examples of broader adoption during 12 country visits. None of the visited SGP country programs had a specific strategy for broader adoption, yet many achievements appear impressive. Most examples relate to replication and scaling-up, although there are also examples of mainstreaming, including policy influence. There are only a few cases of scaling-up or replication through full- or medium-size GEF projects. Survey responses showed appreciation for the efforts of national coordinators promoting broader adoption.

Poverty and livelihoods. The SGP has given significant attention to community-level benefits and livelihoods, and this attention is yielding positive results (figure 1). The design and actual results of 115 grant projects implemented in eight countries were examined for their contribution to community livelihoods. With respect to design, 38 percent of sampled projects explicitly sought to benefit poor, marginalized, or vulnerable communities and to contribute to improving their livelihoods. Another 37 percent aimed to contribute to the livelihoods of the local populations, without focusing on particular groups. Of the sampled projects, 85 percent demonstrated some contribution at the community level toward improving livelihoods. In many cases, this contribution came in parallel with contributions to global environmental benefits.

FIGURE 1: Livelihood—differences between SGP project design and project results



NOTE: n = 115 projects.

National-level respondents to the survey, including SGP managers and decision makers, generally feel that the SGP's efforts to address poverty, inequality, and exclusion issues strengthen the program's ability to meet its environmental objectives. Interviews at the country level confirmed that most national stakeholders feel the SGP is addressing livelihoods and poverty reduction, but there is much less agreement as to whether the SGP addresses the needs of the most disadvantaged.

Gender equality and women's empowerment. Since 2006, in line with evolving GEF and UNDP policies, the SGP has undertaken several steps to promote gender mainstreaming and women's empowerment. The CPMT has a gender focal point and has provided guidance materials and training for national stakeholders. Of the 103 grant projects assessed with respect to gender, more than half were found to have benefited women and men equally, or to have disproportionately benefited women. Many other projects benefited women, although not to the same extent as men.

Direct benefits come in the form of access to microcredit, increases in income, greater livelihood security, access to water and energy, and time savings from new technology. Indirect benefits resulted from the drilling of boreholes for watering trees and similar activities. Several projects noted women had taken on new leadership roles in projects, which translates to greater participation in other community activities.

CONCLUSIONS

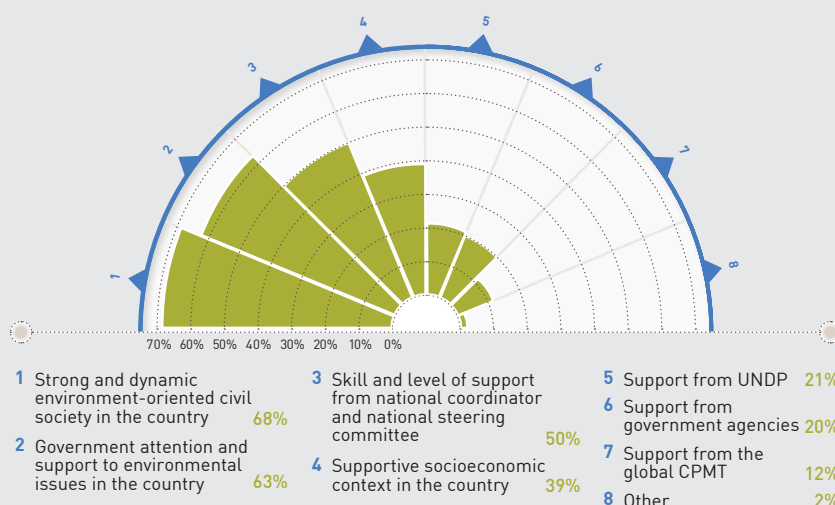
1. Upgrading policy. Since 2008, the SGP upgrading policy has enabled the SGP to continue and expand in terms of total funding and number of countries, as well as other opportunities such as approaches and partnerships. However, the way these policies and measures have been operationalized has had a number of negative effects—including increased delays, increased transactions costs, and increased competition with other GEF project proponents—with the risk of the SGP being left unfunded. For upgraded country programs, additional challenges have included reduced time and flexibility to complete country programs and respond to local partners, and a more top-down approach with less community ownership over country program design and management.

In OP5, selecting countries for upgrading to FSPs is based on two criteria that are not optimal and that are too narrow: the age of the program and the overall program size in terms of cumulative grants. A wide range of factors affect the maturity of a country program, and progression does not always occur steadily. There is a widespread belief among GEF stakeholders at all levels that program maturity is not solely linked to program age and the number of grants issued (figure 2). With inappropriate criteria, there is a risk of either choosing countries where the context and local capacity are not favorable to upgrading or failing to choose countries whose conditions are optimal for upgrading. Although two new criteria were introduced for OP6, these criteria still do not resolve this issue.

2. M&E system. Significant resources and efforts have been devoted to improving the SGP's M&E system, with progress at the global level in strengthening the results framework, improving the database that provides basic data on more than 18,000 projects, and the production of two highly informative annual monitoring reports.

At the project level, a great deal of monitoring activity has taken place, but is not universal. Of the 144 projects evaluated, 92 percent included monitoring activities in the project design and 89 percent had established some results indicators as part of the design.

FIGURE 2: Factors supporting country maturity



However, more than half of these lacked an established baseline in the design phase. Upon project closure, completion reports were submitted for 85 percent of the projects. At present, the M&E system is unable to provide a clear picture of the impacts of the SGP on the global environment. Most stakeholders agree that further progress is required on M&E of the SGP. It is generally accepted that the demands placed on the current M&E system are far too ambitious and unrealistic.

RECOMMENDATIONS

- **Revitalize the SGP Steering Committee to support high-level strategic thinking in developing a long-term vision for the SGP, foster dialogue between UNDP and the GEF, and advise the Council as appropriate on strategic decision making.** The SGP has continued to be a relevant, effective, and efficient program; however, in some areas there is a lack of clarity as to program expectations and its long-term evolution. A revitalized global Steering Committee—which could include the GEF Secretariat, UNDP, UNOPS, a representative from the GEF-CSO Network, and/or other members as appropriate—would provide a forum for clarification of the SGP's long-term vision, future approaches to upgrading (including upgrading criteria), articulation of the role of broader adoption in the SGP, the balance between global environmental benefits and socioeconomic objectives, and other issues that might arise. The revived committee could help in articulating the GEF corporate nature of the SGP, clarifying the role and responsibilities of UNDP as a GEF Agency implementing a GEF corporate program, and developing a strategy to optimize UNDP's value added. Where policy decisions are required, the committee would

provide advisory services to the GEF Council. Some of these issues could be discussed in a wider forum as well. The proceedings of such a high-level forum could then be shared with the GEF Council for consideration.

- **Continue upgrading, building on strengths while addressing the weaknesses identified.** The criteria for selection of countries for upgrading should be revisited. Upgrading should be seen as a continual process, in which country programs mature; acquire capacity; and evolve in terms of their partnerships, cofinancing, and degree of mainstreaming and eventually reach an upgraded status. Consolidation of the process should be sufficiently flexible to match conditions prevailing in all participating countries, while maintaining an incentive to each and every country program to evolve. The criteria should be revisited, and recommendations for revisions submitted to the GEF Council. This revision should be informed by the SGP Steering Committee and/or the proceedings from the international conference. Although all countries should be able to adopt the upgraded status, upgrading should be voluntary for least developed countries and small island developing states.
- **Ensure that the SGP is implemented under a single, coherent, global program framework.** All SGP country programs, whether upgraded or not, should be implemented under a single, coherent, global program framework. As country programs mature from being funded purely by core funds to accessing GEF System for Transparent Allocation of Resources (STAR) resources and ultimately upgrading to execution as FSPs, the type and level of support from

UNDP and the CPMT should evolve as a continuum within that global program management framework. In addition, in line with a strategy to optimize UNDP's value added as the SGP Implementing Agency, UNDP should provide guidance to the SGP and to UNDP resident representatives to strengthen synergies between SGP and UNDP programming at the country level, while recognizing the peculiarities of the SGP as a GEF corporate program.

- **Continue efforts to improve M&E, designing more streamlined and useful M&E tools and activities that balance the need to measure with the need to provide support to local communities in tackling environmental issues.** The CPMT should move to update its M&E framework, with a focus on streamlining and aligning indicators and tools to track and validate progress toward SGP strategic objectives as appropriate at the global, national, and local levels. An opportunity exists for developing and performing a more practical monitoring function by using simple, but innovative, M&E tools and systems that are adapted to the needs, resources, and community focus of the SGP. These tools would achieve a financial and operational balance between the need to measure and the need to provide support to local communities in tackling environmental issues of global significance. As a result of the revised M&E framework, the monitoring demands on national coordinators and grantees should be reduced overall, but should contribute to a clearer picture of project and national progress. The CPMT should recruit a full-time senior M&E officer whose main task would be to develop and implement the revised frameworks. ■

