

## Learning from Challenges

Approach Paper, June 2023

### BACKGROUND AND INTRODUCTION

1. As noted in previous GEF IEO evaluations and STAP and GEF Secretariat publications, learning from less successful operational experience is critical and complements learning from accomplishments. However, the primary concern of the GEF IEO evaluations, and overall evaluation and development research, is with factors of interventions' success and good practice examples to provide insights for future operations. At the same time, evidence from projects and programs that are less effective is often overlooked (GEF IEO 2020g). This is a missed opportunity: such a perspective can help to distill lessons on mitigating the risk of failure and adapting to challenging circumstances. This study focuses on such analysis. It aims at bringing to light the knowledge accumulated through less successful operational experience and sharing it with the GEF Partnership to provide insights on risk mitigation and adaptation measures that can be applied to future operations. The study is a deep dive into projects with below satisfactory outcomes at closure and those that were failing but managed to recover. Additionally, the study will analyze a sample of ongoing operations with below satisfactory implementation ratings to understand if lessons from older, closed projects are being applied.
2. This study is also important in the context of GEF's focus on supporting innovative, transformational, and complex interventions. It provides an opportunity to learn from previous interventions of a similar nature that experienced challenges in achieving their objectives. As an important player in global environmental finance, the GEF Partnership is expected to support such interventions and share the lessons learned with the broader environmental community. The Seventh Comprehensive Evaluation of the GEF (OPS7) concluded that innovation had been a defining element of GEF Partnership's comparative advantage and that the GEF Partnership is recognized as more innovative than other environmental funding institutions, balancing the pursuit of innovation with risk and performance considerations in its programming, and thereby also preparing the groundwork for other donors to scale up its successful pilots (GEF IEO 2022b).
3. Considering the current deterioration of the global environment, further exacerbated by the COVID-19 pandemic, the GEF Partnership needs to be well positioned to respond to the growing demand for approaches that can provide sustainable, scalable, and expeditious environmental solutions, with a continued focus on innovation and thus often supporting transformational change. A recommendation of OPS7 states that the "GEF should continue to pursue innovative projects to advance transformational change". To this end, *inter alia*, OPS7 recommends an explicit consideration of risk associated with these projects.

4. While continuing its support to innovative interventions, the GEF Partnership needs to develop and apply strategies for effective risk management in interventions. New approaches, compared to tried and tested alternatives, often involve higher risks and therefore a higher likelihood of interventions' failure to achieve the expected outcomes (GEF STAP 2022b). The GEF-8 Strategic Positioning Framework quotes the position of the Scientific and Technical Advisory Panel (STAP) that "falling back on proven solutions will not deliver transformational change" and that "targeting innovation as a lever for systems transformation is the way forward, although this entails risk and the possibility of poorer outcomes or even failure" (GEF 2022b). In the documents prepared for the GEF-8 replenishment, it is noted that "the pursuit and testing of novel ideas and solutions" entails risk, and therefore, "managing risk, and keeping good standards of performance in its selection and design of projects" becomes critical (GEF 2022d)<sup>1</sup>.

5. As reported in GEF IEO evaluations, a significantly higher proportion of GEF projects in recent years have targeted upstream issues and addressed system-wide matters (GEF IEO 2021a). New projects and programs are characterized by a higher complexity, an increased focus on systems thinking<sup>2</sup>, transformational change, innovation, and scaling up. This study provides an opportunity to learn from previous complex and transformational interventions that experienced challenges in achieving their outcomes and to identify what factors made their performance challenging, how the risks of such performance could have been (or were) mitigated, and which adaptation measures were used (or missed). The study will include the analysis of challenges faced by complex and transformational projects.

6. As reflected in the literature on development interventions' delivery challenges (Bridges and Woolcock; Gonzalez de Asis; Delivery Challenges; Woolcock, 2009; Woolcock, 2022), projects and programs may follow different trajectories in achieving their objectives. Transformational and innovative interventions may require longer time and often follow non-linear and non-uniform trajectories. Such interventions might fail to achieve their objectives at the time of closure, but later exceed their targets. Some of the GEF's projects are focused on incentivizing scaling up, which may not fully develop within the intervention timeframe. At the same time, some complex and transformative projects that demonstrate impressive results at closure can turn out to have low sustainability of outcomes post-closure. This study will look into different trajectories to achieve project outcomes within project timeframe and, to the extent possible, post-completion.

7. Learning from challenges is an important part of the GEF partnership's learning and knowledge sharing objectives. As noted by STAP, the ability to adapt to unexpected changes or emerging opportunities requires an organizational willingness to continually test assumptions and learn from mistakes in a timely manner (GEF STAP 2021a). The GEF partnership has increasingly

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<sup>1</sup> The GEF Secretariat committed to seek guidance from STAP and the GEF Council to establish a baseline for risk acceptance in GEF-8. The relevant document is expected for the Council meeting in December 2023. (GEF IEO 2023) programming and to assess risks in the GEF portfolio of ongoing projects and programs.

<sup>2</sup> The idea of systems thinking is not new. It was originated in the 1940s, after World War II (please refer to the work of Norbert Wiener on cybernetics) and was further developed over the following decades, including in relation to global modeling and beyond. The GEF partnership has been consistently encouraging this approach, as reflected, for example, in the GEF STAP guidelines. For one of the earliest references, see: GEF, UNDP, UNEP, IBRD.1992. However, as the complexity of projects and programs has been increasing over time, system thinking was becoming more applicable. Similarly, transformational and innovative projects existed in the GEF portfolio before GEF-7 and GEF-8 (as, for example, evidenced by the GEF IEO Transformational Change Evaluation, GEF IEO 2018 and GEF IEO Review on of the GEF Support to Innovation, GEF IEO 2021b).

recognized the importance of knowledge management systems that support learning on innovation, transformational change, scaling up, and adaptive management (GEF IEO 2020c). In response to the findings from the IEO Evaluation of Knowledge Management in the GEF (GEF IEO 2020c), the GEF Secretariat prepared a GEF-wide Strategy for Knowledge Management and Learning (KM&L) (GEF 2023). The Strategy provides a roadmap of actions on KM&L to amplify impact of GEF programming on the global environment. Among other action areas, the Strategy calls for open exchange and reflection around challenges and failures along with good practice and success stories. In the same way, this study will support the GEF partnership's learning by providing insights on how to reduce the risks of operational underperformance and how to adapt interventions in challenging circumstances while still pursuing complex, innovative, and transformational projects.

#### AVAILABLE EVALUATIVE EVIDENCE

8. Although the GEF IEO has so far not conducted an assessment focusing exclusively on challenges in GEF projects and programs, several evaluations have looked at factors affecting outcomes. The Overall Performance Studies of the GEF (OPs), and Annual Performance Reports (APRs) have associated lower outcome achievements with factors that could be broadly classified as weaknesses in project design and implementation or exogenous changes in a project's operational environment that affect its ability to achieve intended outcomes (for example, GEF IEO 2005, 2006, 2007, 2008). The APR 2008 included a study examining lessons from 40 underperforming projects. In 30 of these projects, weaknesses in project design were reported to be a key driver of low outcome achievement, including shortcomings in problem analyses, choice of activities, and theory of change. In 24 projects, lower outcome achievements were linked to implementation and execution-related problems. These included weak technical capacity of the project implementation unit (PIU) staff, PIU staff turnover, weak capacity of the executing agency, inadequate oversight and supervision by the GEF Agency, and implementation delays (GEF IEO 2009).

9. Building on previous efforts, the APR 2014 distilled the main lessons from 293 terminal evaluations and grouped the factors of interventions' performance as originating from: (i) project design; and (ii) implementation management/oversight. Among negative factors, the most cited weaknesses in project design included shortcomings in M&E design and interventions strategies, and overly ambitious objectives. The most common negative factors in management or oversight were inadequate training or oversight provided for effective M&E, failure to restructure or cancel the project in a timely manner, failure to provide technical backstopping (GEF IEO 2015). Other GEF IEO evaluations have observed that the quality of project design and implementation, country context, and timely materialization of co-financing were important in supporting project outcomes (GEF IEO 2010 and 2017).

10. A recent GEF IEO analysis of interventions' performance showed that project outcomes are affected by multiple factors, as well as the interplay among them (GEF IEO 2021a, and GEF IEO 2022b). Adaptive management was identified as a key enabler of strong outcome achievement. Factors that negatively affected project performance and sustainability included implementation delays, procedural constraints, and procurement challenges; while positive factors included adequate selection of partners (especially key stakeholders) for project preparation and their sufficient involvement in project design, alignment of project design with client's needs and

capacities, active engagement of stakeholders and communities in project implementation, and incorporation of prior lessons in project implementation (GEF IEO 2021a).

11. The GEF Partnership's increasing interest in learning from underperforming projects is reflected in the endorsement of the GEF Monitoring Report 2022 by the 63<sup>rd</sup> GEF Council in December 2022. The report uses enhanced assessment of the risk to project outcomes, deepening the understanding of risk assessment in the GEF investments. Among other metrics, the report applies the proactivity index which estimates the share of projects demonstrating proactivity one year after they were rated in the unsatisfactory range for either Implementation Progress and/or Development Outcome. The report suggests continuing to strengthen the evidence base and analysis on risk-results tradeoffs (GEF 2022e).

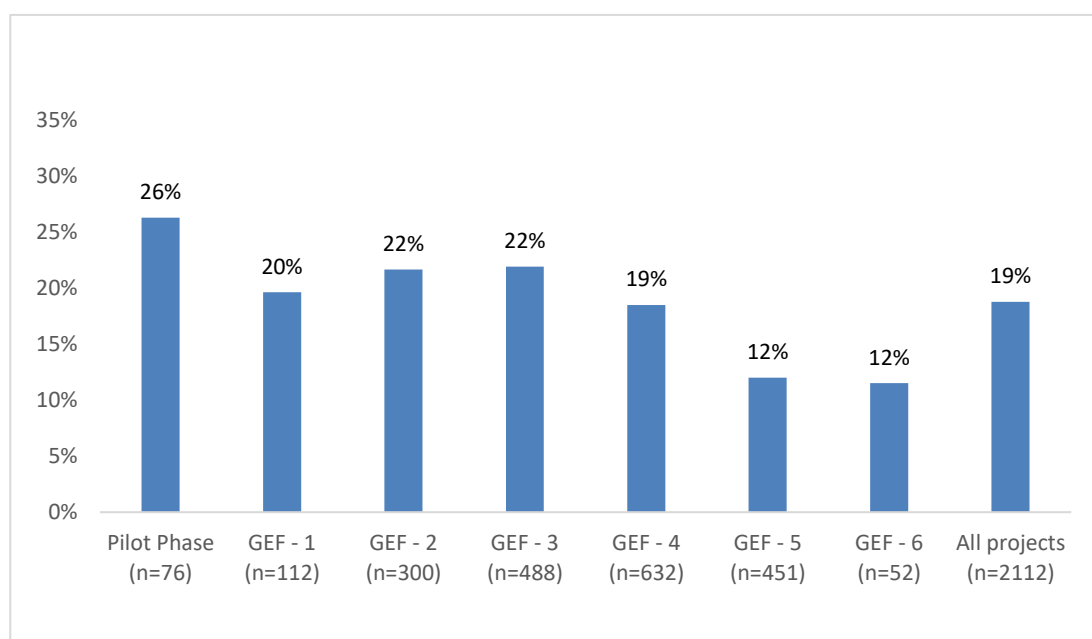
12. GEF Agencies also recognize the importance of learning from challenges. In this context, the United Nations Development Agency (UNDP) evaluations underscore the need to understand the capacities of governments and the readiness of countries to take the necessary changes on board; to consider local knowledge; to involve stakeholders including the communities and the private sector; and to promote regional and cross-sectoral collaboration (UNDP IEO 2021b). The Asian Development Bank (ADB) emphasizes the importance of an adequate project design and supervision (including financing that is sufficient for the project scope); strong monitoring; a robust assessment of the country, sector, and project risks; government commitment; and satisfactory implementing capacity within the country (ADB Independent Evaluation 2022). Similarly, the Inter-American Development Bank (IDB) highlights the following reasons for low project performance: flawed project design, poor quality of monitoring and evaluation, insufficient implementation capacity in the country, and weak participation of stakeholders (IDB OVE 2021). The International Fund for Agricultural Development (IFAD) points to the importance of project design (including the specificity of context and social targeting); stakeholder ownership; and adaptation to changes in social, political, and development landscape (IFAD IOE 2020). The World Bank Group's independent evaluations note the relevance of the early warning flags raised when a project receives unsatisfactory outcome or implementation ratings in annual implementation reports (World Bank IEG 2018).

13. Building on this earlier work, this study is the first comprehensive review of the GEF's interventions that did not sufficiently achieve their stated objectives or those that were failing to do so during implementation but recovered by closure. It aims at providing insights for future operations based on learning from the interventions whose performance (at closure, or during implementation, or both) was in the unsatisfactory range due to experienced implementation challenges. The study will also analyze if ongoing operations apply lessons from the past experience with operational underperformance. The study's analytical ambition is three-fold. *First*, it will examine the challenges that the low-performing interventions faced as factors of failure to achieve their objectives. *Second*, the study will explore if these interventions applied adaptation measures to manage the confronted challenges (essentially, mitigated the risks of non-achievement of their objectives) and to turn the intervention around toward a satisfactory completion. *Third*, the study will provide insights on how its conclusions can be useful for the GEF partnership as a learning organization that seeks to mitigate operational risks while still implementing more complex, innovative, and transformational tasks.

## THE PORTFOLIO OF GEF PROJECTS WITH UNSATISFACTORY OUTCOMES

14. Cumulatively, 19 percent of all completed GEF projects are rated in the unsatisfactory range for their outcomes (Figure 1). According to APR 2023, a smaller percentage of the completed projects that were approved in GEF-5 and GEF-6 were rated in the unsatisfactory range compared with those approved in the preceding periods, and this difference is statistically significant. Out of the GEF-6 projects that involve at least \$0.5 million in GEF funding and have started implementation, so far only 10 percent have been completed. As more projects are completed, the percentage of GEF-6 projects rated in the unsatisfactory range for outcome may change. However, the performance so far suggests that the GEF-6 projects will at least match the performance of the preceding periods (GEF IEO 2023).

*Figure 1. Percentage of completed projects with outcomes rated in the unsatisfactory range, by GEF replenishment period (n = total number of completed projects with outcome ratings in satisfactory and unsatisfactory range)*

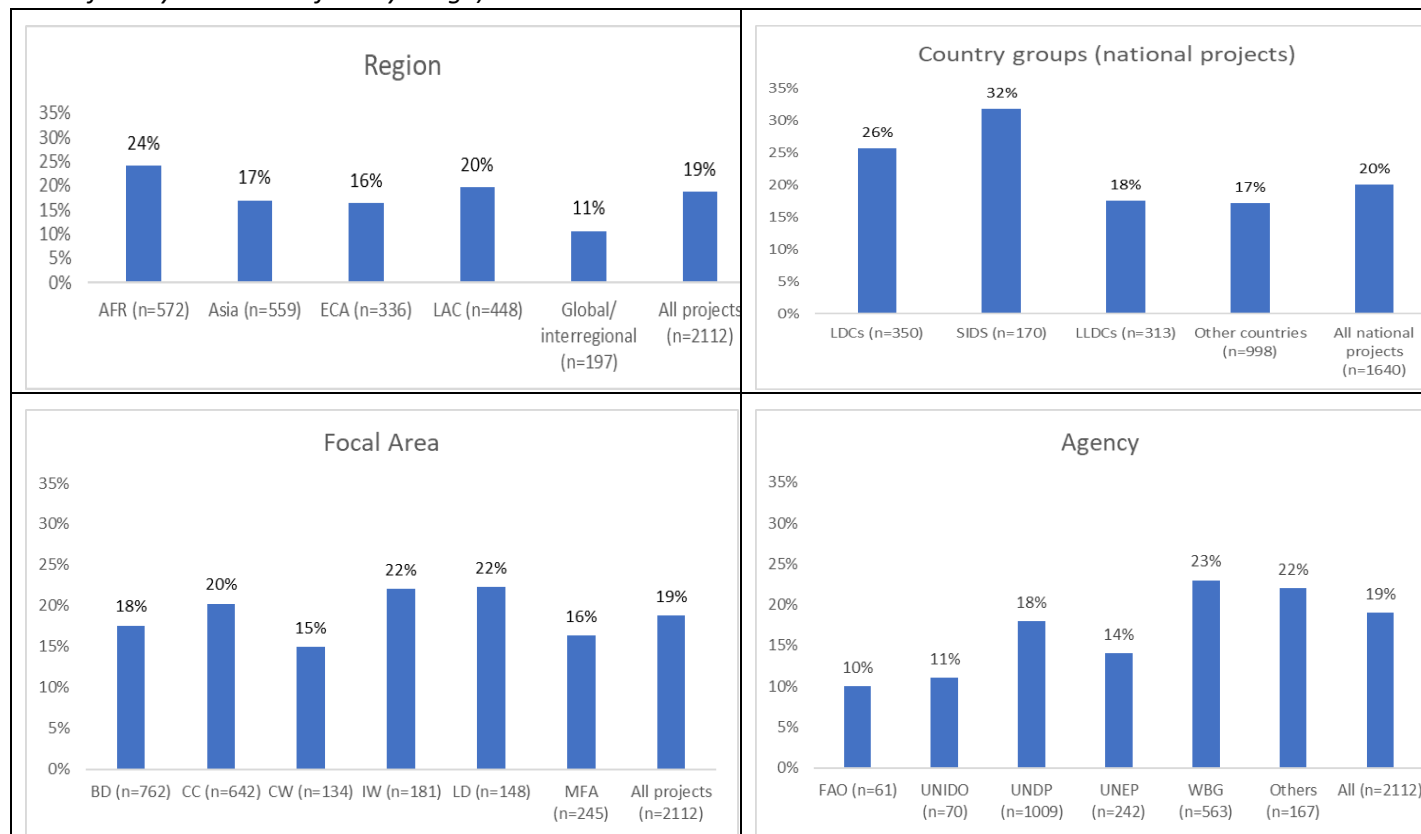


Source: GEF IEO Annual Performance Report Dataset

15. According to APR 2023, there are differences in the share of completed projects with outcomes rated in the unsatisfactory range across regions, country groups, focal areas, and Agencies (Figure 2). Africa (24 percent), least developed countries (LDCs; 26 percent), and small island developing states (SIDS; 32 percent) have a statistically significant higher percentage of completed projects with unsatisfactory outcomes compared to other regions and country groups. Conversely, global and interregional projects (11 percent) have a statistically significant lower percentage of interventions with unsatisfactory outcomes compared to national and regional projects. The percentage of projects rated in the unsatisfactory range for outcomes varies among Agencies but comparing them is challenging due to differences in their portfolios. For example, UNEP's portfolio includes a substantial number of global projects (37 percent), while these projects account for only 5 percent in the remaining portfolio. The difference in outcome ratings of UNEP-implemented projects is not statistically significant when the difference due to global projects is accounted for. Similarly, project portfolios of the Agencies differ in terms of project

size, countries, and focal areas, each of which may affect the risk profile and performance of projects. (GEF IEO 2023)

*Figure 2. Percentage of completed projects with outcomes rated in the unsatisfactory range, by region, country group, focal area, and agency (n = total number of completed projects with outcome ratings in satisfactory and unsatisfactory range)*



Source: GEF IEO Annual Performance Report Dataset

16. This snapshot of the basic characteristics of the GEF portfolio of completed underperforming projects shows that only a small share of the interventions (approximately 1/5 of the total) fails to achieve their objectives and do not receive outcome ratings in the satisfactory range at closure. However, considering that this part of the GEF portfolio has not been analyzed sufficiently and taking into account the current GEF Partnership's focus on knowledge and learning, as this approach paper has shown, the study is timely.

#### THE OBJECTIVE, SCOPE, AND KEY QUESTIONS

17. **The objectives** of this study are to: (i) analyze factors that contribute to poor performance of interventions (unsatisfactory achievement of the objectives); (ii) analyze risk mitigation and adaptation measures that contribute to improved performance; and (iv) provide insights on risk mitigation and adaptation measures that can be applied to reduce risks of future operations' low performance. In short, this study will examine how the underperforming interventions adapt to challenges, how the challenges can be mitigated more effectively at design, and how adaptation measures can be applied successfully during implementation. The study is intended to provide

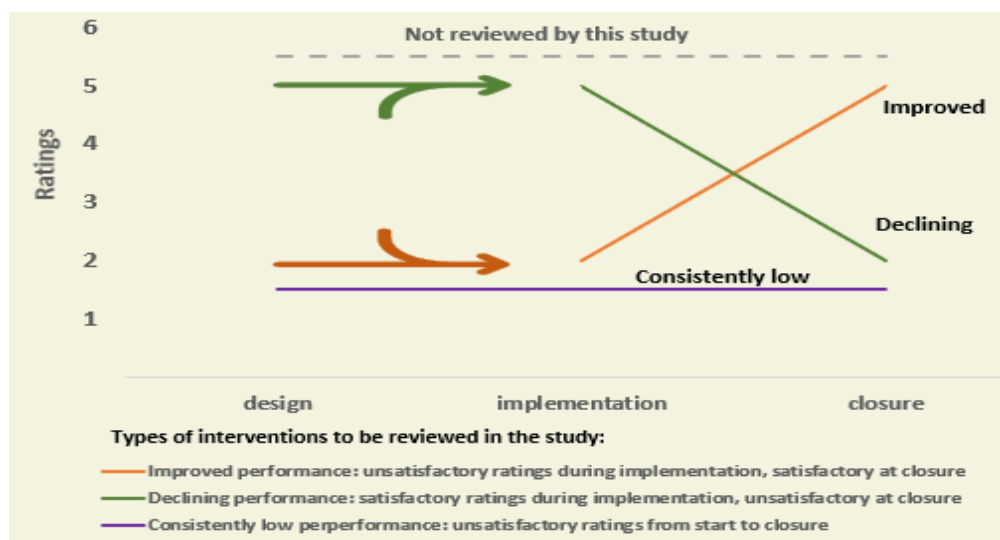
insights on addressing the risks of operational failure.

18. **The scope of the study.** The study will focus on the most recent closed and rated at closure GEF's interventions (from GEF-4, GEF-5, and GEF-6<sup>3</sup>). The study will also include interventions that had been approved/endorsed by the CEO but were later cancelled or dropped<sup>4</sup>. In addition, the study will include a sample of recently approved ongoing operations with the PIR<sup>5</sup> DO<sup>6</sup> ratings in the unsatisfactory range, with the objective to understand if lessons from older, closed operations are being applied.

19. The study's portfolio analysis will compare the following two distinct types of challenging projects, defined by the trajectory of their performance from implementation start to closure, as reflected in their PIR DO ratings and the APR<sup>7</sup> outcome ratings (Figure 3):

- (a). Projects with APR outcome ratings in the unsatisfactory range. These include two subgroups:
  - Consistently challenging projects: those that received APR outcome ratings in the unsatisfactory range at closure and had low ratings in PIRs throughout implementation (defined by the average PIR rating);
  - Projects with declined performance: those that received APR outcome ratings in the unsatisfactory range but had satisfactory PIR ratings throughout implementation.
- (b). Improved projects: those that received APR outcome ratings in the satisfactory range but had low ratings in PIRs throughout implementation.

Figure 3. Evaluation scope: types of interventions based on ratings trajectory



<sup>3</sup> Because of a small size of the portfolio of closed GEF-6 projects, statistical analysis across replenishments will not be possible.

<sup>4</sup> Some of the dropped or cancelled interventions have been rated at closure and are listed in the GEF IEO APR dataset, but others do not have such ratings and have to be sourced from the GEF Portal. The rated interventions will be included in portfolio analysis, and the unrated ones will be subject of a qualitative analysis. Note that because the study aims at examining the factors of operational failure and related adaptation measures, it will not include projects that were dropped prior to implementation stage.

<sup>5</sup> Project Implementation Reports. Annual reports on the implementation and performance of a project.

<sup>6</sup> Development Objective.

<sup>7</sup> GEF IEO Annual Performance Report (APR).

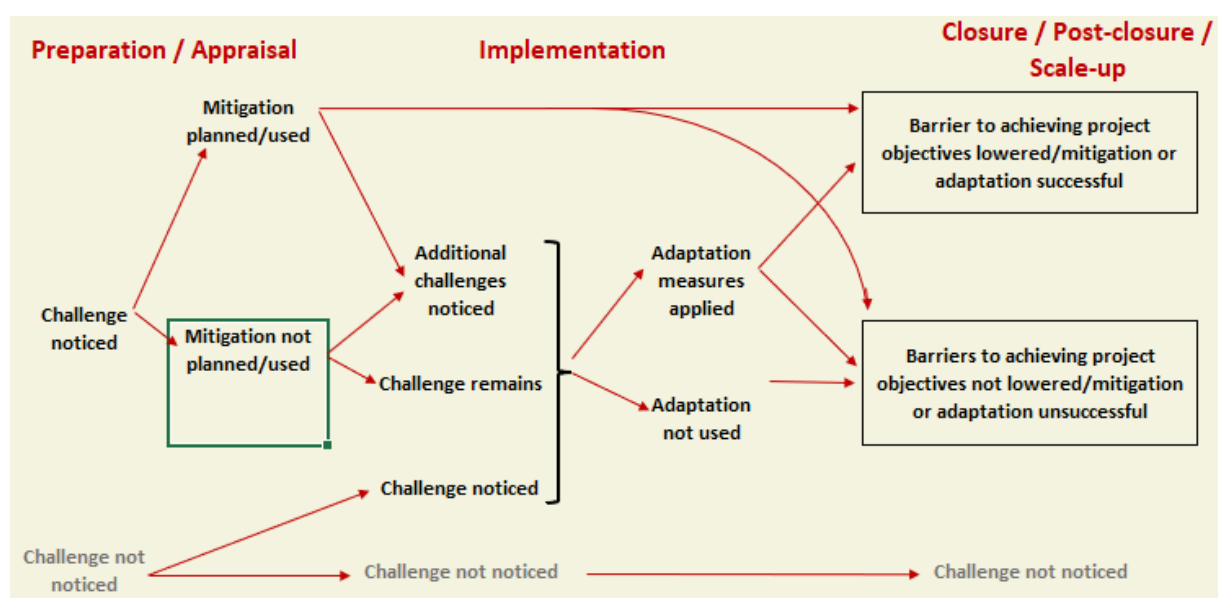
20. **The review will seek to answer the following key questions:**

- (a). What factors contribute to the development objective/outcome ratings in the unsatisfactory range (during implementation and/or at closure)?
- (b). What lessons can be learned from the underperforming and improved operations<sup>8</sup> on mitigating the risk of failure to achieve operation's objectives and on adapting to challenging circumstances?
- (c). What can the GEF Partnership's practitioners learn from this analysis on operational risk mitigation and adaptation for future operations?

Methodological Approach

21. The study will apply a mixed-methods approach using document and literature review, portfolio analysis, case studies, and key informant interviews as described below. The focus will be on the in-depth qualitative analysis. Case studies are the core method to be used for data collection and analysis. The methodological framework (for case studies and portfolio review and analysis) is four-dimensional and serves the purpose of structuring the information about the intervention sourced from project documents and case study interviews, as follows: (i) challenges to achieving intervention's objectives that were identified; (ii) adaptation measures that were applied (or noted as missed); (iii) the timing of the above events (at design or during implementation); and (iv) the end result of the traced process (were the barriers to achieving project objectives lowered or not). (Figure 4)

Figure 4. Study framework: intervention pathways based on adaptation to challenges\*



\* The elements of the chart presented in gray fonts are not examined in the study.

Source: GEF IEO Learning from Challenges Study team, based on the literature and document review

<sup>8</sup> Those that had unsatisfactory ratings at closure and/or during implementation.



22. The framework is based on the following assumptions: (i) some challenges to achieving intervention's objectives could be anticipated and mitigated at design; (ii) other could be identified and adapted to during implementation (including – importantly – the challenges outside of the intervention's control<sup>9</sup>); (iii) challenges might be identified at closure as factors of outcome performance, or such opportunity could be missed; (iv) adaptation measures (applied or missed) could be discussed at closure; and (v) for projects with ratings in the unsatisfactory range, the prospective of achievement of objectives after project closure (including potential replication or scaling up) could be identified. The list of challenges to achieving intervention's objectives and mitigation/adaptation measures was developed based on literature review and analysis<sup>10</sup>. It builds on GEF IEO and partner agency evaluations, as well as on academic literature, including the publications on aid effectiveness, science of delivery, delivery challenges, and publications on adaptive learning and resilience.

23. **Document and literature review**, which has been conducted for this approach paper, synthesizes lessons on factors influencing success and failure of international development and environmental projects and programs. The review relied on the discussion of delivery challenges and approaches to adaptive management found in publications on aid effectiveness, science of delivery, and delivery challenges, GEF IEO evaluations, GEF strategies, policies and guidelines, GEF STAP information and advisory documents, relevant publications by the independent evaluation units of the GEF Agencies, and the literature on learning and resilience. The literature review and analysis examined the factors affecting intervention success and failure with specific emphasis on definitions, conditions, and pathways associated with challenges and strategies applied to address the risk of failure. The documents and literature reviewed are listed in Annex A of this approach paper.

24. **Portfolio analysis** will review the following two groups of GEF interventions: (i) closed interventions that had ratings in the unsatisfactory range at closure; and (ii) closed interventions that had unsatisfactory ratings during implementation but managed to improve their performance and reach a satisfactory rating at closure. These categories include projects that were cancelled but nevertheless rated at closure. During the review, the projects will be coded base on the information in the project documents (including design-stage, implementation, and evaluation documents)<sup>11</sup>. The review will use the study's methodological framework (Figure 4) and the classification of challenges to achieving intervention's objectives and adaptation measures (please see it in Annex B) designed for this study based on the review of literature. During analysis, it will be examined which combinations of challenges and adaptation measures (applied and missed) are typical for (i)

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<sup>9</sup> Based on the literature, challenges can be within the GEF partnership's control and addressed by the project itself or by other operations; or outside of its control, requiring adopting the project to the circumstances, and to changing country conditions during project implementation. The importance of considering the latter is discussed at length in a recent GEF IEO paper "Evaluation of GEF support in Fragile and Conflict-Affected Situations. GEF/E/C.59/01" (GEF IEO 2020b), which shows that adapting to external challenges that are outside of GEF control is critical for the performance of GEF's projects.

<sup>10</sup> See Annex A: Literature and Annex B: Classification of challenges and adaptation measures.

<sup>11</sup> The review will cover the entire documents, including, inter alia, country and sector background sections, project relevance justification, project design, project risk assessments, implementation arrangements, lessons learned from previous operations, development objective and implementation progress assessments, midterm review and terminal evaluation recommendations and lessons, any restructurings or recommendations on project adjustment or adaptation.

the two types of projects in the portfolio (poor performing at closure and improved by closure) and (ii) at three points of time in the project timeline (Figure 3 and Figure 4). Additionally, the study will include a qualitative analysis of interventions that were cancelled prior to closure to understand the reasons for the cancellation. Further, the study will include a qualitative analysis of a sample of ongoing interventions with unsatisfactory PIR DO ratings, to understand if lessons from the closed underperforming or improved interventions are being applied.

25. **Case studies are the core method used.** Through case studies, this study will take a close look at the underperforming interventions, using the process tracing approach to follow the performance-defining events during implementation, understand how the team reacted to them, how these reactions were assessed in the hindsight, and whether and how the underperformance could have been avoided (or, for the improved interventions, how they were turned around toward a satisfactory performance). The case studies will focus on: (i) recently closed interventions with outcome ratings in the unsatisfactory range; (ii) interventions that experienced drawbacks but took action to reorient themselves and achieved outcome ratings in the satisfactory range at closure. The case studies will include an in-depth analysis of factors of the unsatisfactory performance and of the mitigation/adaptation measures. The case studies will be based on the document reviews (please see the document review template in Annex C) and interviews (the interview template can be found in Annex D) with project implementation team leaders (typically, GEF Agency and project staff). The selection of the case study interventions will ensure that the cases vary, including in terms of focal areas, regions, and GEF Agencies.

26. **Key informant interviews** (with GEF Secretariat, Agencies, STAP, and GEF Council members) will focus on discussing the emerging outcomes from this study and solicit participants' views on how the GEF Partnership can use these outcomes as a learning organization. Specifically, the central issue to discuss will be on how to encourage operational risk mitigation and adaptation through GEF policies (based on the study's outcomes) while still implementing more complex, innovative, and transformational tasks.

27. **Triangulation** of the information gathered through literature review, portfolio review and analysis, case studies, and key informant interviews will be conducted at the completion of the data gathering and analysis to determine trends, and identify main findings, lessons, and conclusions.

## Limitations

1. The study will use outcome and project implementation report ratings as an objective way to identify projects that were not successful or experienced challenges<sup>12</sup>. At the same time, ratings do not always provide the full picture. This limitation will be mitigated with the help of

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<sup>12</sup> Poor outcome and PIR ratings are signals of challenges and concerns about the projects. For more information, see, for example, GEF IEO 2020a, GEF IEO 2020e, GEF IEO 2021e.

document reviews, interviews and case studies, and, when feasible, verification of results<sup>13</sup>.

2. Stakeholders may be reluctant to talk about challenges and projects that were unsuccessful. The aim is to design interviews in a learning context and triangulate information using variety of sources (document review, interviews, case studies, and, when feasible, verification of results).

Stakeholder engagement, timeline, and dissemination

3. Stakeholder engagement will be sought throughout the study, with the following objectives: 1) to improve the relevance and accuracy of the study; 2) to promote the utility of the study, by facilitating learning and dissemination of the study results.

4. The study will be completed in October 2023.

5. The study's findings will be presented in a report to the December 2023 GEF Council, and disseminated to members of the GEF Partnership, as well as a broader public audience. A knowledge product that will summarize key findings will be produced and disseminated. A learning event will be organized to share the main findings.

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<sup>13</sup> Specific methods to objectively verify results reported in project documents, interviews, and case studies. The choice of methods will depend on types of environmental, socio-economic, and process-oriented results to be assessed.

## ANNEX A. LITERATURE

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## **Annex B. CLASSIFICATION OF CHALLENGES AND ADAPTATION MEASURES FOR PORTFOLIO REVIEW**

### **I. Challenges to project performance**

#### ***I.1. Country level challenges***

- Policy and legal framework inadequate/insufficient for achieving project objectives (including weak business environment)
- Poverty, inequality, social/cult. challenges (gender, language, religion, ethnicity). E.g.: (potential) disputes linked to ignoring traditional institutions or practices; or inequities increased by the project. Briefly note any specific issues or strategies in relation to gender, indigenous peoples in the notes.
  - Including: gender
- Country's poor transportation, electricity supply, Internet access, inadequate for project implementation
- Political complications or changes (e.g., through elections or other changes in government)
- Stakeholder interests create complications/conflict (including governmental and non-governmental stakeholders, the latter could be: CSOs, private sector, communities, the public, other donors, etc.)
  - Including: low government ownership/commitment (including low priority of environmental projects in government agencies)
- Insufficient cooperation/joint decision making among relevant government agencies
- Low capacity of government institutions
- Low capacity of non-governmental stakeholders (CSOs, private sector, urban or rural beneficiary communities)
- Lack of knowledge/awareness of the issue the project seeks to resolve or of possible solutions (among governmental and non-gov. stakeholders, and the public)
- Other: please list and explain (text)

#### ***I.2. Conflicts and shocks***

- Conflict and instability (armed conflicts, coup d'etat, riots, etc.)
- Significant issues/shocks in the country's overall economy
- Natural disasters (including climate change-related)
- Pandemic and epidemics
- Other: please list and explain (text)

#### ***I.3. Project design/implementation***

- Problems addressed by the project not fully understood due to insufficient analysis at design
- Overambitious/unrealistic design (incl. weak logical links; many/complicated activities; project scope not compatible with financing/timeline/country capacity)
- Project tackles complex issues/transformational change/long-term objectives (results can only be achieved beyond project closure)

- Weakness of RF /M&E (in measuring outcomes/outputs, indicators, data)
- Implementation delays (incl. due to financing issues and delays)
- Stakeholders insufficiently involved in design
- Inadequate government counterpart arrangements during implementation
- Non-governmental stakeholders (CSOs, private sector) insufficiently involved during implementation
  - Including: beneficiary communities insufficiently involved during implementation
- Coordination with other donors insufficient
- Poor oversight/implementation capacity of GEF agency (including agency's high TTL /staff turnover or inadequate experience/skills)
- Inadequate institutional arrangements for project execution (e.g., inadequate selection of executing institutions (including sectors and levels)
- Weak capacity of project implementation unit (PIU)/staff turnover or inadequate experience/skills in PIU
- Other: please list and explain (text)

## **II. Adaptation measures and scaling up**

### ***II.1. Adaptive project design and implementation***

- Project was specifically designed to allow flexibility/modifications if circumstances change
- Specific adaptation methods used: scenario planning; other methods described in documents as adaptation methods; applying adjustable/adaptive ToCs and RFs/indicators
- M&E/RF was used for risk management/adaptation during implementation
- Adaptation measures were applied following early warning signs during the first half of project implementation

### ***II.2. Project restructuring and adjustment***

- An activity/component was discontinued
- Design or activities were modified (without discontinuation of activities)
- Results frameworks/indicators were modified
- Financing was reallocated among components
- Project was extended
- Other adaptation measures

### ***II.3. Scaling up/post-completion***

- Implementation of scaling up/replication has started
- Conditions for scaling up/replication were created (policy/institutional frameworks, financing, detailed plans)

## Annex C. CASE STUDY (PROCESS TRACING) INTERVIEW INSTRUMENTS:

### DOCUMENT REVIEW TEMPLATE

GEF ID, Project title, CEO endorsement/approval year, closure year, project size

**Approach:** Document review should use the portfolio review template and project documents (including design stage, implementation, and evaluation documents) and aim at: (i) registering specific challenges the project faced and the adaptation/adjustment measures used by the team to mitigate the challenges (or missed opportunities to do so); and (ii) registering information from the documents that could explain the observed reaction to challenges (explain how and under what conditions the observed decisions were made and outcomes achieved, considering evolution of the project over time).

#### I. Project information

Project objectives:

Components:

Key outcome indicators:

Project Type: failed or improved.

#### II. Data from project documents and portfolio review

##### a. External challenges (the typology of challenges to be used is presented below)

| Challenges | When noticed | Adaptation measures applied in response | Missed opportunities to adapt | Barriers to achieving project outcomes lowered by closure? How? | Comments |
|------------|--------------|-----------------------------------------|-------------------------------|-----------------------------------------------------------------|----------|
|            |              |                                         |                               |                                                                 |          |
|            |              |                                         |                               |                                                                 |          |
|            |              |                                         |                               |                                                                 |          |
|            |              |                                         |                               |                                                                 |          |

##### Types of external challenges

**Country conditions that are within development institutions' impact (could be within GEF's (and project's) control).** Did the project face challenges related to insufficient policy/legal framework, weak business environment, issues related to poverty/inequality, social/cultural issues (gender, language, religion, ethnicity), or poor infrastructure?

**Country conditions that are outside of development institutions' control (however, they can be analyzed and/or used to the benefit of the project).** Did the project face challenging politics (political complications or changes, e.g., through elections or other changes in government) or conflict/complications related to stakeholder interests (including governmental and non-governmental stakeholders; the latter could be: CSOs, private sector, communities, the public, other donors, etc.), or low government ownership?

**Implementation capacity in the country.** Did the project face issues with low government capacity or lack of cooperation among agencies? Low capacity of non-governmental stakeholders? Lack of awareness of the issues the project was seeking to resolve?

**Conflicts and shocks.** Was the project affected by conflicts, economic shocks, natural disasters, pandemics/epidemics?

b. **Internal challenges (project design and implementation) (the typology of challenges to use is presented below)**

| Challenges | When noticed | Adaptation measures applied in response | Missed opportunities to adapt | Barriers to achieving project outcomes lowered by closure? How? | Comments |
|------------|--------------|-----------------------------------------|-------------------------------|-----------------------------------------------------------------|----------|
|            |              |                                         |                               |                                                                 |          |
|            |              |                                         |                               |                                                                 |          |
|            |              |                                         |                               |                                                                 |          |
|            |              |                                         |                               |                                                                 |          |

**Types of internal challenges:**

**Project complexity and impact trajectory.** Was the project overambitious/involved unrealistic design (incl. weak logical links; many/complicated activities; project scope not compatible with financing/timeline/country capacity)? Did it tackle complex issues/transformational change/long-term objectives (results can only be achieved beyond project closure)? If so, please provide specific information:

**M&E quality, analytical underpinning of design.** Did the project have weak M&E, RF? Insufficient analysis at design?

**Stakeholder involvement.** Were stakeholders insufficiently involved in project design? Government or non-governmental stakeholders, incl. beneficiary communities insufficiently involved during implementation? Was coordination with other donors insufficient?

**Implementation quality.** Poor oversight/implementation capacity of GEF agency (including agency's high TTL/staff turnover or inadequate experience/skills)? Inadequate selection of executing institutions (including sectors and levels) (usually either government or NGOs)? Weak capacity of PIU/staff turnover or inadequate experience/skills in PIU?

c. **Adaptation measures (please describe the specifics or register if this was mentioned as a missed opportunity).**

- Was the project **specifically designed to allow flexibility/modifications** if circumstances change? Were **specific adaptation methods part of the design**: scenario planning; adjustable/adaptive ToCs and RFs/indicators, etc.?
- Was **M&E/RF used for risk management/adaptation** during implementation?
- Were **early warning signs noticed and hence adaptation measures applied**? When was it done (early in implementation, midterm, late, right before closure)?
- Were any of the **design or implementation adjustment measures used**, including: an activity/component was discontinued; design or activities were modified; RF/indicators were modified; financing was reallocated among components; the project was extended; other?

d. **Scaling up/replication/post completion:** Did **scaling up/replication** start (or conditions for it developed)? Any other developments **post closure**?

III. **Restructuring data for the interview protocol**

- Causes of effects.** Which challenges were critical factors of project performance? Were they noticed or missed at design? At mid-points of implementation? Did they cause poor performance at closure? Were adaptation measures used?
- Explanation of mechanisms and processes by which the outcomes were obtained: from observed challenges/adaptation measures to outcomes.** How did it happen that the challenges were addressed? Why were they missed or adaptation measures not used? How related decisions were made? Was adaptation possible? Which measures were effective, and which did not work?
- Lessons learned (overall):** What main lessons or recommendations could be derived for future projects in terms of adapting to challenges?
- Lesson learned (for the GEF):** How can the GEF better support adaptive management and provide a more flexible and adaptive environment?

**Annex D. CASE STUDY (PROCESS TRACING) INTERVIEW INSTRUMENTS:**  
**INTERVIEW TEMPLATE**

**1. Introduction**

- Describe the purpose of the evaluation and methods used (why the interviews are important).
- Explain why the role the interviewee played during project design/implementation is important for the study (as TTL they designed reforms, made decisions about project adaptation, directly observed what happened, learned lessons for the future; we need to understand their perspective, especially if it is not reflected in project documents).
- Introduce the logic of the interview (“I will ask several questions, first about the challenges the project faced, then about ,... then...”).

**2. Challenges and adaptation questions**

- In the form of a preliminary hypothesis, describe your understanding of “What this case is about (type of challenges faced, type of adaptation measures/adjustment applied)”. **“As I understand it, the project faced challenge(s) in achieving its outcomes. Here is our understanding of what happened (based on documents)”** [insert a summary of section III of the document review protocol]:
- Ask the following: **“How would you characterize the challenges the project faced, the ones that were critical for achieving the project objectives, and the adaptation measures used?”**
- Follow-up questions about:
  - Process tracing (time dimension: start, implementation, closure).
  - Sources of support and pressure/resistance when dealing with challenges.
  - Team’s decision making (how decisions were made and why).
  - Why did the measures fail to work? why no measures were applied?
  - Correct measurements, including: good outcomes not measured, negative outcomes not measured (and opportunities to adjust were missed?), important long-term outcomes/transformational change not measured.
- **Was the project transformational?** Had long-term or non-linear path to achieving objectives? What should be done differently to support such projects?
- If there was a disconnect between your pre-interview hypotheses and the interviewee views, **try to triangulate the type of challenges this project faced**. Ask if this is how the interviewee sees it.

**3. Post-closure**

- **If you have information about project outcomes post-closure, what were they? Was there further replication/scaling up post-closure?**

**4. Lessons learned**

- “To summarize, I’d like to understand which lessons you find important. Let me put it this way: **If you had to manage this project over again, what would you do differently?** Would a different kind of adaptation strategy – one that might not have been known at the time – would have made a positive and lasting difference? **What advice or tips would you give to a colleague who is about to start a similar project in similar circumstances?**
- Were the lessons about challenges and mitigation/adaptation measures used in any follow-up initiatives or elsewhere?
- Based on this project experience, what lessons should the GEF derive, how can the GEF support adaptive management and provide a more flexible and adaptive environment?

5. **Concluding question:**

- “This was a challenging project, but you have accomplished \_\_, \_\_, \_\_\_\_. Now that you went back to that time to share your experience with us, is there anything else in addition to what we have discussed that makes you **especially proud/satisfied with your work on that project?**”