

DRAFT

Approach Paper

Evaluation of the GEF Agency Minimum Standards on
Environmental and Social Safeguards

INTRODUCTION

1. The Global Environment Facility (GEF) provides support to address global environmental concerns related to biodiversity, climate change, international waters, land degradation, the ozone layer, and persistent organic pollutants. Since its inception in 1991, the GEF has provided developing countries and countries with economies in transition US \$ 15 billion in grants. These grants are implemented on the ground through a network of 18 accredited agencies. The GEF receives its funds through a four-year replenishment cycle.
2. The GEF Independent Evaluation Office (GEF IEO) has a central role in ensuring the independent evaluation function within the GEF. The GEF IEO is based in Washington DC. It is administered by the World Bank but is independent of its management as well as the management of the GEF. Its Director reports directly to the GEF Council, the GEF governing body. More information about the GEF IEO can be found at its website: www.gefio.org.
3. The GEF IEO undertakes independent evaluations on issues relevant to GEF's overall performance. These cover issues related to GEF policies and processes, and projects and programs funded by the GEF. The GEF IEO is undertaking the Sixth Comprehensive Evaluation (OPS6) to inform the replenishment process for the GEF-7 period.
4. The overall purpose of the Sixth Comprehensive Evaluation of the GEF is to provide solid evaluative evidence to inform the negotiations for the seventh replenishment of the GEF¹. The objective of OPS6 is to assess the extent to which the GEF is achieving its objectives as laid down in the GEF Instrument and reviews by the Assembly, as developed and adopted by the GEF Council in operational policies and programs for GEF financed activities, and to identify potential improvements going forward. In addition, OPS6 will also assess the relevance of the GEF objectives in this changing external landscape. The audience for the Sixth Comprehensive Evaluation comprises replenishment participants, the GEF Council, the GEF Assembly, members of the GEF and external stakeholders.
5. To prepare OPS6, the GEF IEO will draw from the evaluations that it has conducted, and also from targeted reviews that it will undertake to gather additional evidence. Among the cross-cutting areas being studied for OPS6 is an evaluation of the *GEF Agency Minimum Standards on Environmental and Social Safeguards* ([SD/PL/03](#)) (Hereinafter, the GEF Minimum Standards).

¹ Sixth Comprehensive Evaluation of the GEF Approach Paper - <http://www.gefio.org/sites/default/files/ieo/evaluations/OPS6%20Approach%20Paper.pdf>

BACKGROUND

6. The 39th Council in November 2010 decided to broaden the GEF Partnership through the accreditation of GEF Project Agencies, as described in two documents, *Broadening of the GEF Partnership under Paragraph 28 of the GEF Instrument: Key Policy Issues* ([GEF/C.39/7/Rev.2](#)), and *Accreditation Procedure for GEF Project Agencies* (formatted version at [PR/IN/04](#)). These documents recommended the launching of a pilot project on accrediting new agencies on the basis of meeting a range of criteria, including environmental and social safeguards. The *Accreditation Procedure for GEF Project Agencies* proposed a set of criteria that were based on those included in the World Bank's Operational Policy (OP) 4.00: Piloting the Use of Borrower Systems to Address Environmental and Social Safeguard Issues in Bank Supported Projects.
7. In response to the Council decisions, at the 40th GEF Council, the GEF Secretariat presented the *GEF Policies on Environmental and Social Safeguard Standards and Gender Mainstreaming* ([GEF/C.40/10 Rev.1](#)). In specifying that GEF's key mission is to create global environmental benefits ("doing good"), the document also noted that the "GEF has not had a set of clear policies to prevent or mitigate any unintended negative impacts to people and the environment that might arise through GEF operations" ("do-no-harm") ([GEF/C.40/10 Rev.1](#)).
8. In November 2011, the 41st GEF Council Meeting approved the GEF Minimum Standards ([SD/PL/03](#)) based on Council Document [GEF/C.41/10/Rev.1](#), *GEF Policy on Agency Minimum Standards on Environmental and Social Safeguards*. Along with the GEF Minimum Standards, the provisions for the GEF Minimum Safeguards were established in the GEF Guideline Document [SD/GN/03](#), *Application of Policy on Agency Minimum Standards on Environmental and Social Safeguards*.
9. At the 45th Council Meeting, the Council requested the GEF IEO to assess the GEF Minimum Standards after the Pilot on Accrediting GEF Project Agencies had concluded ([Joint Summary of the Chairs](#)).
10. The 41st Council also determined that the ten existing GEF Agencies would need to meet the same criteria as those of newly accredited GEF Project Agencies. The Council requested the Secretariat to assess the compliance among the existing Agencies with the newly adopted Policy on Gender Mainstreaming and Policy on Agency Minimum Standards on Environmental and Social Safeguards. The 2013 *Review of GEF Agencies on Environmental and Social Safeguards and Gender Mainstreaming* ([GEF/C.45/10](#)) found that two GEF Agencies (Asian Development Bank

and the World Bank²) fully met the GEF policy requirements and other agencies would need to adopt action plans to address certain areas of their safeguard policies in order to fully meet the GEF Minimum Standards.

11. Progress reports on GEF Agency compliance with the GEF Minimum Standards were submitted at the 46th and 47th Council meetings ([GEF/C.46/Inf.06](#), [GEF/C.47/Inf.04](#)). The report presented at the 48th Council in 2015 confirmed that the ten existing GEF Agencies were now compliant with the GEF Minimum Standards ([GEF/C.48/06](#)). In addition, eight institutions that had applied to the GEF Partnership under the new accreditation procedure successfully completed the Stage II³ review by the Accreditation Panel ([GEF/C.48/10/Rev.01](#)).

In 2016, the 50th Council agreed, “in principle, on the need for periodic self- and third party-assessment of Agencies’ on-going compliance with GEF Policies on Environmental and Social Safeguards, Gender, and Fiduciary Standards”(Joint Summary of Chairs, 2016). The 51st Council approved a *Policy on Monitoring Agencies’ Compliance* ([GEF/C.51/08/Rev.01](#)).

EVALUATION QUESTIONS

12. This evaluation will be framed according to the OECD/DAC guiding criteria for evaluation: Relevance, Effectiveness, Efficiency, Results/Impact and Sustainability. Reflecting expectations that supported initiatives and interventions do not harm the environment or people, this evaluation will address both policy alignment and operational procedures related to the GEF Minimum Standards, and strive to answer the following key questions:
 - I. To what extent do the GEF Minimum Standards align with global best practices and advances in safeguard policies?
 - II. To what extent have the GEF Minimum Standards added value to the GEF Partnership?
 - III. What mechanism does the GEF Partnership use to inform GEF of projects which trigger internal environmental or social safeguards?
 - IV. How should the current GEF Minimum Standards evolve for GEF 7?
13. The evaluation will conduct an overall review of the GEF Agency Minimum Standards with a focus on their relevance and alignment to priorities of the GEF Partnership, global developments in

² Because the requirements of the GEF Environmental and Social Safeguards are derived from World Bank policies, the Council decided that the World Bank’s safeguard system would not be assessed.

³ Stage 2 in the accreditation process includes review of compliance with the GEF Minimum Standards, the GEF Policy on Fiduciary Standards, and the GEF Gender Mainstreaming Policy.

safeguard policies, and expectations of implementation and enforcement. Based on these findings, the evaluation will address implications for the future evolution of the GEF Minimum Standards.

GLOBAL DEVELOPMENTS IN SAFEGUARD POLICIES

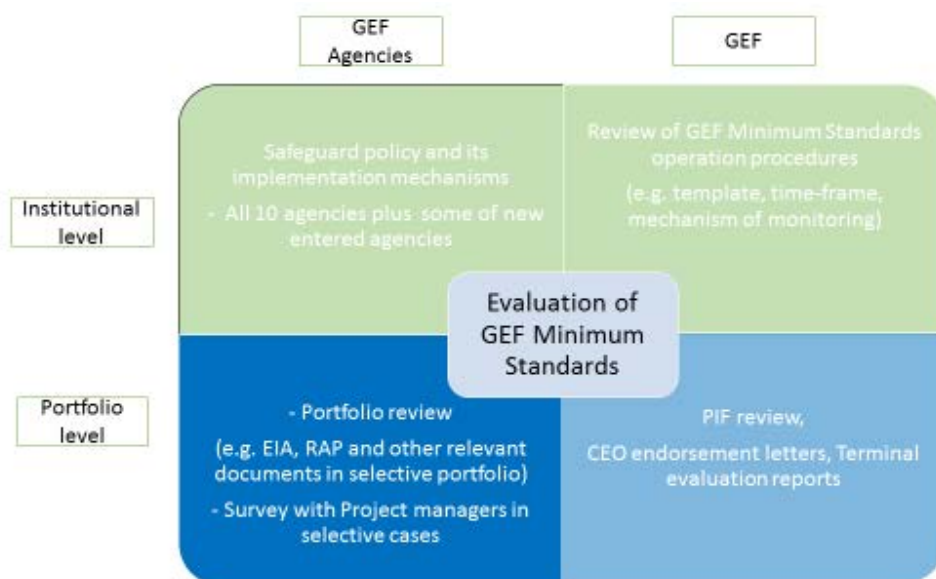
14. The safeguard policies of multilateral donors and funding agencies promote the social and environmental sustainability of supported projects and programs. These policies also seek to ensure that potential adverse social and environmental impacts are avoided, and where avoidance is not possible, minimized, mitigated, and managed. In ‘safeguarding’ people and the environment, these policies seek to strengthen project/program effectiveness and outcomes. The World Bank’s Independent Evaluation Group (IEG) found in 2010 that the benefits derived from its safeguard policies outweighed the cost of implementation (IBRD/World Bank, 2010).
15. The importance of environmental and social safeguards has been recognized recently by a range of international donor agencies and funds. The Adaptation Fund adopted its Environmental and Social Policy in November 2013 (further revised in 2016). In 2014 the Green Climate Fund instituted its accreditation process that applies the fund’s interim social and environmental safeguards. In early 2016 the Asian Infrastructure Investment Bank (AIIB) approved its Environmental and Social Framework. And in August 2016, the World Bank adopted a revised, integrated safeguard policy, the World Bank Social and Environmental Framework.
16. Recently adopted safeguard policies such as the World Bank’s Social and Environmental Framework have included a heightened focus on potential impacts to ecosystem services and climate change risks; expansion of social coverage, with greater focus on vulnerable and marginalized communities; inclusion of labor standards aligned with international agreements; elevated treatment of stakeholder engagement, access to information, and project-level grievance mechanisms; standards for channeling funds through financial intermediaries; and greater utilization of national partner environmental and social regulations.
17. As experience has shown, implementing safeguard policies can present a range of challenges. Competing pressures can lead to gaps in implementation (Vinod, 2015). Even among institutions with long safeguards track records and institutional capacity, compliance issues can still arise. For example, as of 2012 the independent accountability mechanisms of eight IFIs (and one bilateral agency) handled a total of 262 cases of eligible complaints regarding environmental and social issues (IAMN, 2012). Since 2012 the World Bank’s Inspection Panel has accepted 24 eligible cases and the Project Complaint Mechanism of the European Bank for Reconstruction and Development has registered 16. At the World Bank Issues such as underestimation of

environment and social impacts, lack of stakeholder consultations and gaps in transparency have been raised in such cases.

18. In light of these and other challenges, international donors and agencies need to make continuous efforts to improve the effectiveness of safeguard policy implementation, including potential revision of policy requirements and procedures, to ensure that they and their partners “have the necessary commitment and capacity to manage the environmental and social risks” associated with implementation of projects and programs (ADB, 2014).

APPROACH AND METHODOLOGIES

19. This evaluation will consist of two levels of analysis: Institutional and portfolio level. Based on initial desk review, the evaluation team will assess the level of information availability and identify data gaps. The team will then selectively use an appropriate combination of tools. The final decisions on which tools and methodologies to use will take place after the initial phases of data gathering. It is proposed that the evaluation will use a mixed methods approach, relying on both primary and secondary sources for data collection.



20. The institutional level of evaluation will focus on alignment of the GEF Minimum Standards with international best practice regarding safeguards, including procedures for reviewing implementation. A sampling and meta-analysis of the recent GEF portfolio will also be conducted to address questions pertaining to efficiency and reporting on environmental and social safeguards by Agencies. The findings from both levels of analysis will be synthesized as

recommendations for the future evolution of the current GEF Minimum Standards. In addition, the methodology will be modified in the process of evaluation, as needed. Evaluation activities will be drawn from the following:

- **Document Review:** The key questions for evaluation are indicated above and in Annex I. The current GEF Minimum Standards and its procedures will be reviewed. After this stage of document review, the availability of documents will be defined. In addition, further evaluation questions will be developed. A meta-analysis of GEF Council and Project Documents will be conducted.
 - **Interviews:** Interviews with the GEF Secretariat, GEF Partner Agency representatives and safeguard specialists, and representatives of other global funding entities will be conducted. Interviews will focus on identifying perspectives regarding the GEF Minimum Standards and the issues and procedures involved in safeguard implementation. Further specific questions will be developed accordingly.
 - **Comparative analysis for Safeguards Policies:** The safeguard policies for other international funding mechanisms, such as the Green Climate Fund, Adaptation Fund, and Climate Investment Fund, and other relevant mechanisms will be examined, including a review of how the standards are utilized in accreditation/approval processes, and procedures for their implementation.
 - **Compilation of results and writing a final report:** The synthesis and analysis of all findings from the evaluation will include a series of recommendations regarding the GEF Minimum Standards.
21. The GEF IEO is also undertaking several sub-studies, such as review of GEF engagement with indigenous people, civil society organizations as well as the GEF gender mainstreaming. The results of sub-studies will feed into the evaluation of the GEF Minimum Standards given the cross-over of issues. The GEF IEO will take advantage of utilizing those findings for triangulation with the Safeguards evaluation as a whole.

LIMITATIONS

22. Information gaps may pose a challenge for the evaluation. Documentation of safeguards implementation among GEF Agencies post-introduction of the GEF Minimum Standards may be varied, including documentation submitted to the GEF Secretariat. Clear documentation of anticipated application of specific safeguard standards may be lacking. The evaluation will test the availability of this information.

23. To help address potential limitations of information availability and relevance, the GEF IEO will conduct interviews with relevant persons among GEF Agencies, such as the project manager.

TIME FRAME

24. The initial period (phase I) of this study will focus on identifying the current compliance situation with the GEF Minimum Standards by GEF Agencies. The substantive evaluation (Phase II) including interviews with GEF agencies will be commence in January 2017 in parallel with additional literature reviews. The phase III (January-February 2017) of this study will involve synthesizing and analyzing all information.

Phase	Evaluation plan	Time Frame
I	pre-evaluation desk review, approach paper	Nov 2016
II	further desk review, substantive evaluation	Nov 2016 - Jan 2017
III	further desk review, interviews with GEF agencies, GEF Secretariat, global funds, case study, synthesizing information, preparation of Draft Evaluation Report, external review	Feb 2017
IV	Emerging findings will be shared with GEF Council Final report	Mar 2017 May 2017

Deliverable

25. The report of the evaluation of the GEF Minimum Standards will be produced and presented to the May 2017 Council meetings. The main report will include insights and implications for future evolution of the GEF Minimum Standards.

Evaluation Team

26. The evaluation will be conducted in IEO, including one senior consultant with expertise in safeguard policies among multilateral banks and international agencies. (END)

Annex 1: Evaluation Matrix

Key Evaluation Questions	Example Evaluation Questions	Expected findings	Information Sources	Possible Approaches
✓ To what extent do the GEF Minimum Standards align with global best practices and advances in safeguard policies?	- What relevant safeguard-related issues are/are not addressed in GEF Minimum Standards compared to those of other relevant entities? - How do other entities promote implementation of safeguard requirements?	Gap analysis between GEF safeguards and those of other relevant entities	GEF Documents, Documents and interviews with other relevant entities	Document Review Interviews
✓ To what extent have the GEF Minimum Standards added value to GEF Partnership?	- Are there major differences, recognizing differences of Agency missions and objectives? - Have the GEF Minimum Standards contributed to Agency actions regarding safeguard policies?	Level of influence and alignment of GEF Minimum Standards with GEF Agencies	Data from project sample, interviews/survey with Agency representatives	Review sample of GEF projects, case study, Document review, Interviews/survey with GEF Agencies
✓ What mechanism does the GEF partnership use to inform GEF of projects which trigger internal environmental or social safeguards?	- What extent is the GEF informed about project-level safeguard issues? - How often, and what kinds of documents are required? - How is GEF kept abreast of the environmental and social risk of an Agency's portfolio of GEF-financed activities?	The status of GEF monitoring activities on the GEF Minimum Standards	Council and GEF SEC Documents (e.g. Annual Monitoring Rpt., Evaluation reports) Results from Agency interviews/survey	Document review, Interview/survey with GEF Agencies
✓ What implications are there for the future evolution of the current GEF Minimum Standards?	Based on analysis, how should the GEF Minimum Standards be improved to meet GEF mission, if at all?	Strengths and potential areas of improvement of GEF Minimum Standards	All above sources	Aggregation of results (overview assessment)

RERERENCES

- AfDB. 2013. Integrated Safeguard System Policy Statement and Operational Safeguard. http://www.afdb.org/fileadmin/uploads/afdb/Documents/Policy-Documents/December_2013_-_AfDB%E2%80%99S_Integrated_Safeguards_System_-_Policy_Statement_and_Operational_Safeguards.pdf
- ADB. 2009. Safeguard Policy Statement. <https://www.adb.org/sites/default/files/institutional-document/32056/safeguard-policy-statement-june2009.pdf>
- ADB. 2014. Safeguard Operational Review- ADB Processes, Portfolio, Country Systems, and Financial Intermediaries. Independent Evaluation:CS-4. <https://think-asia.org/bitstream/handle/11540/3568/ces-safeguards.pdf?sequence=1>
- EBRD.2014. Environmental and Social Policy. <http://www.ebrd.com/downloads/research/policies/esp-final.pdf>
- FAO. 2015. Environmental and Social Management Guidelines. <http://www.fao.org/3/a-i4413e.pdf>
- GEF. 2010. Broadening of the GEF Partnership under Paragraph 28 of the GEF Instrument: Key policy issue. (GEF/C.39/7/Rev.2)
- GEF. 2010. Accreditation Procedure for GEF Project Agencies (GEF/C.39/08/Rev.2).
- GEF. 2011. GEF Policies on Environmental and Social Safeguard Standards and Gender Mainstreaming (GEF/C.40/10 Rev.1).
- GEF. 2011. GEF Policy on Agency Minimum Standards on Environmental and Social Safeguards (GEF/C.41/10/Rev.1)
- GEF. 2011. Agency Minimum Standards on Environmental and Social Safeguards (Policy: SD/PL/03)
- GEF. 2012. Procedure: Accreditation of GEF Project Agencies (Procedure: PR/IN/04)
- GEF. 2012. Application of Policy on Agency Minimum Standards on Environmental and Social Safeguards. (Guideline: SD/GN/03). Last updated on February 19,2015.
- GEF. 2013. Joint Summary of the Chairs 45th GEF Council Meeting.
- GEF. 2013. Review of GEF Agencies on Environmental and Social Safeguards and Gender Mainstreaming (GEF/C.45/10)
- GEF. 2014. Agency Progress on Meeting Minimum Standards on Environmental and Social Safeguards and Gender Mainstreaming. (GEF/C.46/Inf.06)
- GEF. 2014. Agency Progress on Meeting Minimum Standards on Environmental and Social Safeguards and Gender Mainstreaming. (GEF/C.47/Inf.04)
- GEF. 2015. GEF Agency Compliance with Policies on Environmental and Social Safeguards, Gender, and Fiduciary Standards (GEF/C.48/06)

GEF. 2015. Progress Report on the Pilot Accreditation of GEF Project Agencies (GEF/C.48/10/Rev.01)

GEF. 2016. Joint Summary of the Chairs 50th GEF Council Meeting.

GEF. 2016. Monitoring Agency Compliance with GEF Policies on Environmental and Social Safeguards, Gender, and Fiduciary Standards: Implementation Modalities (GEF/C.51/08/Rev.01)

IAMN. 2012. International Accountability Mechanism Network. Citizen-Driven Accountability for Sustainable Development

http://siteresources.worldbank.org/EXTINSPECTIONPANEL/Resources/Rio20_IAMs_Contribution.pdf

IBRD/World Bank. 2010. Safeguards and Sustainability Policies in a Changing World.

http://siteresources.worldbank.org/EXTSAFANDSUS/Resources/Safeguards_eval.pdf

NGO Forums on ADB. 2015. A Comprehensive Critique on the Draft Environmental and Social Framework (ESF) of the Asian Infrastructure Investment Bank (AIIB)

UNDP. 2015. Social and Environmental Standards.

<http://www.undp.org/content/undp/en/home/librarypage/operations1/undp-social-and-environmental-screening-procedure.html>

UNEP. 2015. UNEP Environmental, Social and Economic Sustainability Framework.

http://www.unep.org/about/eses/Portals/50272/Documents/UNEP_Environmental_Social_and_Economic_Sustainability_Framework.pdf

UNIDO. 2015. Environment and Social Safeguard Policies and Procedures.

https://www.unido.org/fileadmin/user_media_upgrade/Overview/Internal_Oversight_Services/UNIDO_ENVIRONMENTAL_AND_SOCIAL_SAFEGUARDS_POLICIES_AND_PROCEDURES.pdf

Vinod, Tomas. 2015. Infrastructure lending must be based on environmental and social safeguards. Brookings.

<https://www.brookings.edu/blog/future-development/2015/06/01/infrastructure-lending-must-be-based-on-environmental-and-social-safeguards/>

World Bank. 2016. Environmental and Social Framework: Setting Environmental and Social Standards for Investment Project Financing. August 4, 2016.

https://consultations.worldbank.org/Data/hub/files/consultation-template/review-and-update-world-bank-safeguard-policies/en/materials/the_esf_clean_final_for_public_disclosure_post_board_august_4.pdf

World Bank. 2016. Inspection Panel Annual Report July1, 2015-June 30,2016.

<http://ewebapps.worldbank.org/apps/ip/Pages/Annual-Reports-2016.aspx>

WWF. 2015. Environmental and Social Safeguards: Integrated policies and procedures.

https://c402277.ssl.cf1.rackcdn.com/publications/807/files/original/16_122_Safeguards_Manual_FIN_spreads.pdf?1446499086

LIST OF AVVREVIATIONS

ADB	Asian Development Bank
AfDB	African Development Bank
EBRD	European Bank for Reconstruction and Development
FAO	Food and Agricultural Organization of the United Nations
GEF	Global Environment Facility
IAMN	Independent Accountability Mechanisms Network
IEO	Independent Evaluation Office (of the GEF)
IDB	Inter-American Development Bank
IFAD	International Fund for Agricultural Development
IFC	International Finance Cooperation
OPS	Overall Performance Study
OECD/DAC	Organization for Economic Co-operation and Development/ Development Assistance Committee
PIF	Project Identification Form
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNIDO	United Nations Industrial Development Organization
WWF	World Wildlife Fund