

Summary of Document GEF/ME/C.42/05

Terms of Reference and Budget for the Fifth Overall Performance Study of the GEF

Recommended Council Decision

The Council, having reviewed document GEF/ME/C.42/05, “*Terms of Reference and Budget for the Fifth Overall Performance Study of the GEF*” approves these terms of reference, as well as the budget for an amount of USD 1.075 million, to be incorporated in the multi-annual budget of the Evaluation Office.

The Council requests the Evaluation Office to implement OPS5 and to provide the first and final reports to the Replenishment process and to the Council according to the schedule presented.

Executive Summary

1. This Working Document presents the draft Terms of Reference for the Fifth Overall Performance Study of the GEF, which will provide an important input into the sixth replenishment of the GEF. These terms of reference are based on comments received on the approach paper for OPS5 that was published in March 2012. A separate audit trail document published on the website of the Office shows how comments were taken into account.
2. OPS5 will produce two reports: a first report at the start of the replenishment process, which the Office expects to take place in early 2013, and a final report to be presented in the final phase of the replenishment, which the Office expects to take place at the end of 2013 or in early 2014. This Working Document contains detailed proposals on how OPS5 will be implemented and how the reports will be assembled.
3. The first report will consist of a meta-evaluation of findings and conclusions on the achievements of the GEF as emerging from evaluations of the GEF Evaluation Office and evaluations from independent evaluation units of the GEF Agencies, where relevant. The report will provide answers to the following key questions:

- i. Has the GEF followed the guidance from the conventions?
- ii. Has the GEF support in international waters focused on key transboundary issues?
- iii. Has the GEF succeeded in maintaining its high level of outcome performance in finished projects since OPS4 and has it continued to meet the target of more than 75% outcome rating of moderately satisfactory and higher?
- iv. What have been the ratings of projects on sustainability and on progress towards impact since OPS4?
- v. What have been concrete achievements in global environmental benefits and adaptation challenges in focal areas since 2009 and how do these compare to achievements before 2009?

- vi. What are trends in the catalytic role of the GEF, as characterized by project activities that focus on foundation, demonstration and/or investment/market change?
- vii. What are trends in ownership and country drivenness, as emerging in the country portfolio evaluations of the Office?
- viii. To what extent has the GEF been able to meet countries' needs, quantitatively and qualitatively and vis-à-vis their obligations to the conventions?
- ix. What are the factors promoting or hindering progress towards impact?
- x. What are trends in performance issues, including the project cycle, co-financing, management costs and project fees, quality at entry, supervision?
- xi. What are trends in the implementation and achievements of focal area support of the GEF?

4. The final report will contain findings from sub-studies of OPS5 that will be undertaken during fiscal year 2013 and early fiscal year 2014. The key questions that this report will address are:

- i. What are the trends in global environmental problems and climate change adaptation challenges in the focal areas and the relevance of the GEF to these problems?
- ii. Given the emergence of new financing channels that address these problems, what is the added value and catalytic role of the GEF as a funding channel?
- iii. Does the GEF have sufficient funding to address the focal area strategies, guidance of the conventions and the needs of recipient countries in a meaningful way? To what extent is the GEF able to mobilize sufficient resources? To what extent do the donors perform as pledged?
- iv. What are the strengths and weaknesses of focal area strategies? What is the role and added value of synthetic and cross-cutting support through multi-focal area interventions?
- v. To what extent have the major reform processes of the GEF achieved their objectives, following the key principles of enhanced country ownership and improved effectiveness and efficiency?
- vi. To what extent is the governance of the GEF in line with international best practice?
- vii. To what extent is STAP serving the needs of the GEF as a provider of independent scientific and technological advice?
- viii. To what extent is the GEF support able to mobilize stakeholders on the ground? What are trends in involvement of the private sector and of civil society organizations?
- ix. To what extent are cross-cutting policies like gender, participation, as well as information and knowledge sharing strategies adding value to the GEF support?
- x. To what extent is the GEF Small Grants Programme successful in broadening its scope to more countries while continuing to ensure success on the ground?
- xi. What is the current "health" of the GEF network? To what extent are the network and partnerships of the GEF enhancing or diluting achievements?

5. The budget for OPS5 is calculated as USD 145,000 for the first report and USD 855,000 for the final report. An additional amount of USD 75,000 is reserved for translations and printing. The total amount to be approved is USD 1,075,000, which is USD 1.15 million lower than the actual expenditure for OPS4. These savings were achieved through integrating a substantial amount of work for OPS5 in the regular work program of the Office.

6. The budget is incorporated in the multi-annual budget for evaluations, as presented to the Council in the Work Program and Budget of the Office (GEF/ ME/C.42/06).