

Evaluation of the GEF Strategic Priority for Adaptation



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As a precursor to operationalizing the climate funds created under the United Nations Framework Convention on Climate Change—the Special Climate Change Fund and the Least Developed Countries Fund—the Global Environment Facility (GEF) was mandated to provide financial resources for pilot and demonstration projects in the area of climate change adaptation. In 2003, the GEF established the Strategic Priority for Adaptation (SPA), dedicating \$50 million to pilot and demonstration projects that would help reduce vulnerability and increase adaptive capacity to the adverse effects of climate change within the GEF focal areas.

The SPA reached its financial close in June 2010, with all of its resources fully allocated. As per the GEF Council's request, the GEF Evaluation Office completed an evaluation of the SPA by mid-2010 so as to provide lessons for the success of other adaptation funds and for consideration by the GEF in tackling climate change adaptation in its other activities.

The relative youth of the SPA portfolio (only 11 of the projects were past midterm and several had not yet begun) made for a limited evaluation. In many cases, results of adaptation will likely be measurable only after 15 years or more. The evaluation focused on an assessment of the SPA strategy and of the various project design and implementation approaches.

Findings

All SPA projects fulfilled the GEF requirement of identifying global environmental benefits, explicitly included climate change impacts on these benefits, and are relevant to the GEF mandate. The types of global environmental benefits identified in the SPA portfolio were similar to those in other GEF projects and in line with focal area strategies, strategic objectives, and operational programs.

The SPA initiative has the potential of improving climate resilience for nearly \$780 million in project investments. The SPA components showed clear linkages to the projects' overall objectives. Consequently, the SPA component of each has a potential to provide climate resilience to the rest of the project.

The SPA portfolio of projects is diverse in terms of sector, theme, and focal area, with an emphasis on biodiversity and land degradation. Several themes recurred throughout the portfolio, most often related to land management, biodiversity or species conservation, water management, and agriculture. All regions are represented in the SPA portfolio, with a strong concentration of projects in Asia; it was initially expected that projects would be concentrated in Africa.

Portfolio projects were developed in accordance with the elements and requirements of the SPA operational guidelines, with some exceptions. The SPA operationalized elements related to country ownership, baseline conditions, linkages to national policies, and objectives to reduce vulnerability and increase adaptive capacity. The SPA guidelines included a double increment principle, which proved difficult to operationalize. Project contributions to global environmental benefits are often not readily measurable, and many projects reported difficulties with the design of the double increment requirement. Consequently, many projects had trouble articulating the corresponding set of double indicators specified in the SPA guidelines. In addition, the focal area cofunding expectations were not entirely fulfilled.

Adaptation measures proposed in SPA projects were found to be generally “no-regrets” measures dealing with the management of natural resources. No-regrets measures are those that would deliver development or environmental benefits regardless of climate change. The projects presented good opportunities for creating syner-

gies among activities that promote sound environmental practices and those that aim at resilience.

Despite evidence of mainstreaming adaptation within the GEF at the strategic level and in project design, certain limitations are preventing fully effective integration. Factors that may hinder mainstreaming include lack of mechanisms for operationalization, gaps in scientific knowledge on climate change impacts and adaptation measures, few incentives in the GEF system to take adaptation measures into account, difficulties in determining an operational link between adaptation and global environmental benefits, and limited collaboration between GEF-managed funds regarding adaptation and cofinancing.

In spite of the SPA portfolio's youth, some lessons can be extracted from it for the GEF as a whole. Funding made available through the SPA provided financial incentives for projects to explicitly consider climate change and adaptation. Most projects noted that their life span was too short, start-up had been delayed in many cases, and project strategies had been too ambitious. Consequently, many projects were not reaching their midterm milestones. Finally, SPA projects represented a new level of complexity, as they blended interventions in different focal areas that needed to be implemented simultaneously.

There are weaknesses in the management of the SPA portfolio, but there is still time to correct these. A possible shortcoming may have been introduced in creating a pilot program without the appropriate level of support to operate according to its guidelines. Other shortcomings were found with regard to the monitoring of projects, gaps in the operationalization of monitoring and evaluation frameworks, and in the formal approval, selection, and coordination mechanisms within the GEF Secretariat adaptation team.

The SPA has yet to achieve its full effectiveness as a learning pilot for several reasons. First, the Adaptation Learning Mechanism to generate lessons for future adaptation programming did not specifically focus on SPA projects and lessons as was originally intended, effectively leaving the SPA without a learning mechanism. Second, there is no SPA portfolio monitoring inside the GEF. Third,

the Adaptation Task Force has thus far been constrained to a focus on pipeline management.

Recommendations

- The GEF should continue to provide explicit incentives to carry on the mainstreaming of resilience and adaptation into the GEF focal areas as a means of reducing risks to the GEF portfolio. This could include screening tools applicable at project design and approval, as well as safeguarding methodologies and financial incentives.
- The GEF needs to provide sufficient resources to the GEF Secretariat to manage SPA implementation.
- Further evaluations of the SPA could provide opportunities to learn from outcomes and progress toward impact.

Follow-Up

The GEF Council asked the Secretariat to develop and implement screening tools, including the development of indicators for results-based management and monitoring and evaluation, to reduce the risks from climate change in GEF focal areas and activities. As a result, the Adaptation Monitoring and Assessment Tool has been introduced to help monitor and evaluate outputs and outcomes at the portfolio and project levels. This tool includes a variety of indicators across sectors to be used by project teams in developing their logframes. The Council also asked the Secretariat to continue monitoring SPA implementation to ensure that lessons can be learned from the portfolio. The Secretariat will report on progress in November 2012. Also, the Evaluation Office, the GEF Scientific and Technical Advisory Panel, and the Adaptation Task Force were asked to provide guidelines in 2012 for evaluations of SPA projects in order to learn from project outcomes and impacts.

The GEF Evaluation Office is an independent entity reporting directly to the GEF Council, mandated to evaluate the focal area programs and priorities of the GEF.

The full version of *Evaluation of the GEF Strategic Priority for Adaptation* (Evaluation Report No. 61, 2011) is available on the GEF Evaluation Office website, www.gefeo.org. For more information, please contact the GEF Evaluation Office at gefevaluation@thegef.org.