

Program Evaluation of the Least Developed Countries Fund



The LDCF was established to help the world's least developed countries adapt to climate change. This evaluation provides evidence on progress toward LDCF objectives.

KEY FINDINGS

1. Highly relevant to convention guidelines and development priorities. There is a generally high degree of coherence between the scope of LDCF-funded activities and both the guidance and priorities of the United Nations Framework Convention on Climate Change (UNFCCC) and the GEF, as well as the development priorities of countries receiving LDCF support.

2. Clear potential in reaching adaptation strategic objectives. LDCF-supported interventions show clear potential in reaching the GEF's three adaptation strategic objectives. About 88 percent of national adaptation program of action (NAPA) country reports and 90 percent of implementation projects were aligned with the GEF adaptation strategic objectives to a large degree. The review showed that 98 percent of NAPA implementation projects had a high probability of delivering tangible adaptation benefits.

3. Potential for beneficial synergies with other focal areas. The primary priority areas for LDCF support (agriculture, water resource management, and fragile ecosystems) show clear potential for beneficial synergies with the biodiversity and land degradation focal areas. Fund support for LDCF has the potential to contribute to maintaining globally significant biodiversity and sustainable land management in production systems.

4. Performance efficiency affected by unpredictability of available resources. The LDCF's efficiency has suffered from the unpredictable nature of available resources. Without a formal resource mobilization process, the fund relies upon voluntary contributions. Least developed countries (LDCs) with LDCF support suffer from uncertainty in implementing their climate change adaptation priorities. The uncertainty in funding also negatively influences stakeholders' perceptions of the fund's transparency.

PURPOSE AND METHODS: This evaluation seeks to provide insights and lessons on the Global Environment Facility (GEF) adaptation portfolio for the GEF-7 replenishment cycle. It assesses the Least Developed Country Fund's (LDCF's) efficacy, results, successes, and shortcomings through a thorough evaluation of the portfolio. In addition to document and project reviews, the team conducted field visits to Cambodia, Haiti, Lao People's Democratic Republic, and Senegal; and carried out interviews with key stakeholders to validate the data collected. The data were analyzed and triangulated to determine trends and formulate conclusions, lessons, and recommendations.

WEB PAGE: <http://www.gefio.org/evaluations/least-developed-countries-fund-ldcf-2016>

CONTACT: Anna Viggh, Senior Evaluation Officer, Aviggh@thegef.org

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

PORTFOLIO OVERVIEW

223
projects

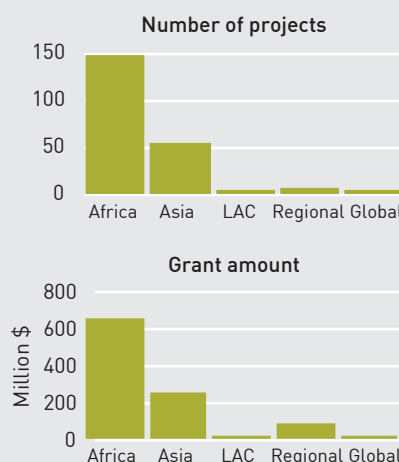
\$1.04 billion
in grant funding

\$4.41 billion
in cofinancing

LDCF project grant value by GEF phase (million \$)

GEF phase	NAPA country reports (EAs)	NAPA implementation projects			Total
		MSP	FSP	MSP + FSP	
3	9.735	0.928	0.000	0.928	10.663
4	0.880	11.218	126.423	137.641	138.521
5	0.659	9.728	832.444	842.172	842.831
6	0.000	0.000	44.935	44.935	44.935
Total	11.274	21.874	1,003.803	1,025.677	1,036.951

NOTE: EA = enabling activity, MSP = medium-size project, FSP = full-size project; LAC = Latin America and the Caribbean. Only Council approved, CEO endorsed/approved, under implementation, and completed projects are taken into account. *n* = 223.



5. Catalytic effects in completed projects. Completed NAPA implementation projects developed and introduced new successful technologies and approaches, which have been disseminated to other projects. NAPA project implementation has impacts on multiple sectors and levels of society in addition to significant social, economic, and cultural benefits. The completed projects further serve as a foundation for larger-scale projects with good buy-in from national and local-level officials, although only 15 percent of completed projects directly resulted in regional/national level upscaling. Successful upscaling will require additional financing beyond the initial project time frame.

6. NAPAs becoming part of mainstream national policy. Three-quarters of NAPA country reports detail how NAPA priorities would be linked with existing national policies, plans, and strategies.

7. Improved gender performance. From GEF-4 through GEF-6, the percentage of projects without a gender mainstreaming strategy dropped from 50 percent to less than 8.7 percent. Over 90 percent of NAPA implementation projects financed under GEF-6 address gender concerns; however, only 17.4 percent of these are “gender mainstreamed,” or seriously consider gender equality in the design of projects and strategies to ensure gender equality as an outcome.

8. Inaccuracies in the Project Management Information System (PMIS). There are significant inaccuracies in the project data from the GEF PMIS.

BACKGROUND

The LDCF was established in response to guidance received from the Seventh Conference of the Parties (COP) to the UNFCCC meeting in Marrakesh

in 2001, as one of its climate change adaptation financing mechanisms. The LDCF is mandated by the parties to the UNFCCC to, among others, provide support to LDCs’ climate change adaptation efforts, including the preparation of NAPAs and the implementation of NAPA priority projects in LDCs, as well as support for the preparation of the national adaptation plan (NAP) process in eligible developing countries.

The LDCF is replenished through voluntary contributions, and pledges have been made in an ad hoc manner. Over time, there has been an increase in contributions. The GEF Secretariat reported to LDCF/Special Climate Change Fund (SCCF) Council in its November 2012 progress report that, while cumulative pledges had increased over the past 10 years, pledges vary significantly each year. In addition, LDC demand to address needs identified in NAPAs has exceeded the cumulative pledges, which fall short of the estimated \$2 billion needed to achieve countries’ key adaptation priorities.

CONCLUSIONS

Relevance. Analysis of LDCF relevance determined that the large majority (87.6 percent) of NAPA implementation projects do address primary priority areas identified in that country’s NAPA

“LDCF projects were catalytic in the sense that they built foundations for larger-scale projects through analytic work, assessments, and capacity-building activities. Apart from their project targets, they also generated significant social, economic, cultural, and human well-being co-benefits.”

—Dennis Bours, IEO Evaluation Officer

report. Most of the remaining NAPA implementation projects reviewed (10.6 percent), while not addressing areas of primary priority identified within their NAPA, do address other priority areas identified.

In all countries visited, LDCF support was confirmed to be even more relevant than it was 10 years ago when most NAPAs were prepared. In the subsequent decade, the need for adaptation efforts has been repeatedly highlighted. Longer droughts and more extreme temperatures and rainfall are examples of climatic events LDCs must handle—and such events are poignant examples demonstrating the need for and relevance of LDCF support.

LDCF resources consistently work toward national initiatives to become more climate resilient, particularly through national agricultural sectors, where the production systems of the poorest populations are typically most vulnerable to accelerated climate change. The fund has established itself as an important instrument for responding to the needs of the poorest members of the global community for whom adaptation to climate change is a far more compelling short-term imperative than mitigation.

Fund efficiency. The project portfolio analysis found that 45 projects have experienced delays in their approval and implementation, accounting for 20.7 percent of the portfolio (excluding canceled projects), three-quarters of which experienced delays during GEF-4.

When the LDCF started, many countries found it difficult to access the fund due to a lack of transparency of, and knowledge regarding, the procedures and requirements. Over time, and with the help of the GEF Agencies to improve country capacity to formulate projects, countries learned how to work with the fund. Measures were also taken to expedite the project cycle to approve projects on a rolling basis. This could be the reason for a lower percentage (12.1 percent) of delayed projects during GEF-5. Projects can be delayed for many

“Despite achieving good adaptation results and its popularity amongst least developed countries, approvals for new LDCF projects have been stalled due to a lack of voluntary contributions from donors.”

—Anna Viggh, IEO Senior Evaluation Officer

reasons, and it is difficult to determine whether underlying causes for delays are internal or external in nature.

A consequence of delays, and a concern of some country-level stakeholders, is that the lengthy approval process for projects can negatively affect project relevance and similarly cut the effectiveness of the LDCF and its investments.

The most frequently noted factor affecting LDCF efficiency is unpredictability of funding. The LDCF is replenished through voluntary contributions, and pledges have been made in an ad hoc manner. Over time, there has been an increase in contributions. The GEF Secretariat reported to the LDCF/SCCF Council in its November 2012 progress report that pledges vary significantly each year, though cumulative pledges had increased over the past 10 years. However, LDCs' demand to address needs identified in NAPAs has exceeded the cumulative pledges, which fall short of the estimated \$2 billion needed to achieve countries' key adaptation priorities.

Interviews with various stakeholders show that funding issues negatively shape their perception of the fund's transparency. Further, gaps in communication between the GEF Secretariat, the GEF Agencies, and country focal points help perpetuate the sense of a lack of transparency among stakeholders.

Catalytic effects. The analysis of completed implementation projects took into account four types of catalytic effects:

- Production of a public good, where the project has developed or introduced new technologies and/or approaches
- Demonstration, after the production of a public good, successfully disseminating the knowledge or

successfully providing training to advance the use of described technologies

- Replication, repeating a successful technology or approach within or outside of a project
- Scaling-up, by which approaches or technologies are accepted and taken to be used at a broader national/regional level

Of the 13 completed implementation projects, almost all exhibited—to varying degrees—all four of the above-mentioned catalytic effects. All completed implementation projects developed public goods and demonstrated new technologies or approaches. Close to half of the projects (6 of 13 projects) also effectively replicated demonstrations and techniques, along with 5 of the remaining projects replicating techniques and approaches to a lesser degree. In scaling up projects, only Samoa and Cambodia performed strongly, while the rest would require additional financing to achieve similar success.

Further analysis identified momentum and synergies generated by LDCF support in relation to developed projects, programs, and associated capacity building. Projects generated significant social, economic, cultural, and human well-being. They built on the traditional knowledge and practices of local communities, affected multiple sectors of the economy, and exerted influence at different levels of society. Projects set the foundations for larger-scale projects through analytic work, assessments, and capacity building, even improving management effectiveness of adaptation-relevant systems at the national and subsequent levels. Projects also helped build longer-term

partnerships, and—to a lesser extent—assisted in developing new cost-sharing approaches.

Contributions beyond the climate change focal area. Almost all (94.1 percent) of the LDCF-supported NAPA country reports contributed to other focal areas beyond the climate change focal area. Though it is not within the fund's mandate to explicitly target focal areas other than climate change, by working on agriculture, water resource management, and fragile ecosystems, there are inevitable synergies with the biodiversity and land degradation focal areas, in particular.

Within the portfolio, 11 projects were considered multifocal area projects, which are expected to contribute to global environmental benefits by their nature. NAPA implementation projects are likely to contribute toward three of the six global environmental benefits, specifically:

- Maintaining globally significant biodiversity and the ecosystem goods and services it provides to society
- Managing land sustainably in production systems
- Enhancing countries' capacities to implement multilateral environmental agreements and enforce them on a national and subnational level

Gender equality. A gender assessment was conducted as part of this evaluation's portfolio analysis. Twenty-nine percent of NAPA implementation projects included a gender mainstreaming strategy, which aims to ensure gender perspectives and attention to the goal of gender equality are central to most activities; and 47.5 percent gave strong indications that the development of such a strategy or plan was in progress.

Another part of the assessment examined whether gender-related indicators were collected as part of the framework for determining results of projects—in other words, a gender-responsive results framework. Just a third of all LDCF projects included a gender-responsive results framework, while for an additional 45.6 percent the development of such a framework was implied. Under GEF-6, all projects considered gender in their strategy to varying degrees, with none being rated as without regard for gender equality in their design. Only 10.9 percent of the GEF-6 projects assessed included a gender-responsive framework; however, this score also reflects that results frameworks have not been fully developed for projects early on in their development.

Outcomes. The quality at entry review assessed projects that were Chief Executive Officer (CEO) endorsed/approved or under implementation ($n = 116$), finding that over 98 percent of NAPA implementation projects had a high probability of delivering tangible adaptation benefits.

In terms of sustainability of project outcomes, the likelihood of these tangible benefits continuing beyond completion of project implementation, 8 of the 11 completed projects are likely to achieve sustainability. The primary concern regarding sustainability relates to ensuring funding beyond project completion.

RECOMMENDATIONS

In its evaluation of the LDCF, the GEF IEO reached the following three recommendations:

1. The GEF Secretariat should explore and develop mechanisms that ensure the predictable, adequate, and sustainable financing of the fund.
2. The GEF Secretariat should make efforts to improve consistency regarding its understanding and application of the GEF gender mainstreaming policy and the Gender Equality Action Plan to the LDCF.
3. The GEF Secretariat should ensure that PMIS data are accurate. ■

