# T-earmings

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# GEF SUPPORT TO SIDS: WHAT, WHY, AND HOW EFFECTIVE?

Pressures on biodiversity, oceans, tourism, fisheries, and other natural resources are most immediate in SIDS. This evaluation looked at impacts of 25 years of GEF engagement with SIDS.

### **Key findings of evaluation**

- The Global Environment Facility (GEF) has supported small island developing states (SIDS) for more than a quarter century, particularly in the areas of climate change adaptation, climate change mitigation, and biodiversity. Between 2006 and 2018, the GEF invested \$1.37 billion in SIDS through 337 interventions.
- GEF-financed projects in SIDS are strongly aligned with government priorities and national environmental challenges.
- Seventy-one percent of the projects reviewed had positive environmental outcomes in biodiversity, deforestation/land degradation, and water quality/quantity—lower than the overall GEF average on outcomes and execution quality.

- Sustainability, observed in half the projects evaluated, is enhanced through mainstreaming activities in biodiversity, through policies in climate change, and—more broadly—through attention to project and contextual factors.
- Regional projects have performed better than individual country-based projects. Eighty-eight percent of regional projects had positive outcomes, and 66 percent are rated positive on sustainability.
- The GEF's strongest areas of additionality in SIDS are strengthening institutions and assistance with legal and regulatory frameworks.
  The GEF's biggest challenge in SIDS lies in accessing private sector financing.



he SIDS share certain geophysical constraints, environmental challenges, and economic vulnerabilities due to their small size, geographic remoteness, and fragile environments. Their predominant economic focus is on natural resources and tourism; their domestic markets are small; and their remoteness results in high costs for energy, infrastructure, and transportation. SIDS are also highly vulnerable to climate change and natural disasters. Climate change is causing sea level rise, beach erosion, coral bleaching, and an increase in invasive alien species; further, it has adverse impacts on the main economic SIDS sectors of agriculture, fishing, and tourism.

The GEF has provided support to SIDS for more than 25 years, particularly in the biodiversity and climate change—both adaptation and mitigation—focal areas. Overall, between 2006 and 2018, the GEF invested \$1.37 billion in SIDS through 337 interventions, 219 of which were at the country level, with the remainder at the regional and global levels. The GEF has planned an additional \$233 million commitment to SIDS through 2022. By region, 40 percent of GEF funding to SIDS is in Asia and the Pacific, 34 percent in Latin America and the Caribbean, and 24 percent in the Atlantic and Indian Oceans and the Mediterranean and South China Seas (AIMS).

#### The SIDS portfolio

The GEF Independent Evaluation Office (IEO) strategic country cluster SIDS evaluation included a review of 286 GEF projects in 39 SIDS; this was complemented by case studies and field visits to 10 countries (figure 1). Project review found that the global environmental benefits most important in SIDS include

- Maintaining biodiversity goods and services and support for low-emissions development (found in a third of the projects);
- Enhancement of countries' capacity to implement multilateral environmental agreements and mainstream them into national and subnational policy, planning, and financial and legal frameworks (found in 25 percent of the projects).

Many projects under one focal area generate co-benefits in other areas; this is especially true for the areas of biodiversity and climate change. The most common GEF interventions in SIDS are assisting with policy and regulatory frameworks (60 percent); and knowledge generation, skills building, and access to technologies (40 percent).

#### **Results**

GEF-financed projects are most often well aligned with the GEF focal area strategies for climate change, biodiversity, sustainable forest management, and chemicals and hazardous waste. Government officials in the SIDS note that the GEF is an important source of funding that fits into their priorities and planning. This view is reflected in several GEF Agency country programs.

Seventy-one percent of the projects reviewed had positive environmental outcomes. The performance of the SIDS portfolio is comparable to the overall GEF portfolio on most dimensions (figure 2), with the exceptions of outcome achievement and execution quality, where the SIDS project performance is lower. Factors contributing to this lower performance include limited project preparation time, the relative complexity of GEF projects, and limited national institutional capacity in procurement.

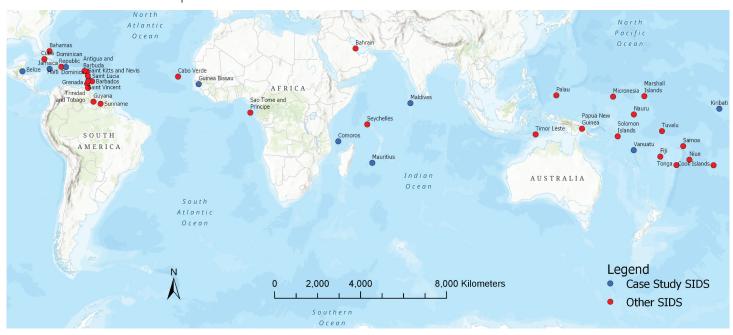


FIGURE 1 Location of GEF SIDS portfolio review

SOURCES: Esri, Airbus DS, USGS, NGA, NASA, CGIAR, N. Robinson, NCEAS, NLS, OS, NMA, Geodatastyrelsen, Rijkswaterstaat, GSA, Geoland, FEMA, Intermap, and the GIS user community.

NOTE: The boundaries and names shown and the designations used on this map do not imply offcial endorsement or acceptance by the GEF or its partners.

#### NUMBER OF PROJECTS IN PORTFOLIO

337

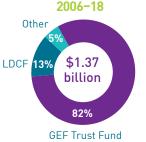
#### **GEF GRANTS BY SCOPE**

average \$4.05 million 14% Global Country

# PROJECT FUNDING BY REGION

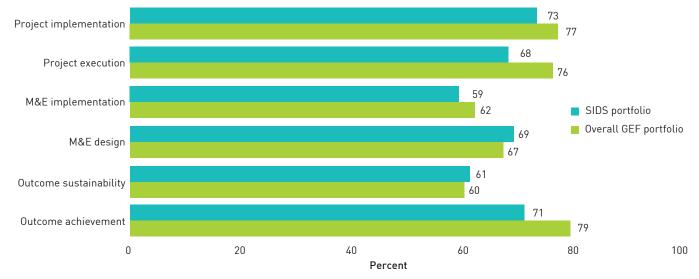


## GEF INVESTMENT IN SIDS,



SOURCE: GEF Portal. AIMS = Atlantic and Indian Oceans, Mediterranean and South China Seas; LDCF = Least Developed Countries Fund.

FIGURE 2 Comparison of SIDS portfolio performance to overall GEF portfolio: percentage of projects with ratings in the satisfactory/likely range



NOTE: M&E = monitoring and evaluation.

The main positive environmental impacts found were in the areas of biodiversity (51 percent of projects reviewed), deforestation/land degradation (37 percent), and water quality/quantity (28 percent). Socioeconomic outcomes were observed in the areas of income generation/diversification, private sector engagement, and civil society engagement.

The sustainability of outcomes at project completion in SIDS was comparable to the overall GEF portfolio, with half the projects having outcomes rated as likely to be sustainable (table 1). Moreover, in a few cases, sustainability improved with time after project completion. For example, in Guinea-Bissau, projects were rated unsatisfactory in terms of sustainability of outcomes at closure due to political instability, including a coup d'etat. The situation eventually settled, and the ratings improved postcompletion.

TABLE 1 Percentage of projects with outcome and sustainability ratings in the satisfactory/likely range by focal area

FOCAL AREA	NO. OF PROJECTS	SATISFACTORY OUTCOMES	LIKELY SUSTAIN- ABILITY
Biodiversity	44	81.8	61.4
Climate change	39	66.7	56.4
International waters	22	68.2	77.3
Land degradation	32	62.5	53.1
Chemicals and waste	3	100.0	66.0
Multifocal	12	66.7	41.7
Total	152	71.1	59.0

NOTE: Chemicals and waste includes one persistent organic pollutant project.

Sustainability of project outcomes are positively influenced by a combination of context- and project-related factors. The most important of the context-related factors contributing to sustainability were found to be national government support, links to previous or ongoing activities, and other stakeholders' support. The most important project-related positive factors were strong buy-in and sense of ownership among key stakeholders, and their engagement, followed by good project management. A summary of the main contributing and hindering factors for sustainability are listed in table 2.

Building sustainability may need an iterative process. For example, to improve climate resilience and reduce disaster risk in Kiribati, the GEF Kiribati Adaptation Program included the design of seawalls to protect against sea level rise and coastal erosion. Subsequent program phases continued the process, strengthening climate resilience based on the strategies and designs developed, and improved the seawall designs based on lessons

TABLE 2 Main factors influencing sustainability of outcomes

TYPE	CONTRIBUTING TO SUSTAINABILITY	HINDERING SUSTAINABILITY
	Legal and institutional framework	Unfavorable political conditions
Context related	Supportive government policies	Low level of public environmental awareness
	Public-private partnerships	Pressure to exploit sensitive land/coastal areas
	Sustainable national financing mechanisms	Communication infrastructure constraints affecting knowledge sharing
Project related	Institutional capacity building	Limited consideration of impact and sustainability in design
	Adaptive project management	Weak project monitoring and risk management
	Strategic institutional partnerships	Lack of exit strategy and sustainable financing

### **Conclusions**

Support to SIDS has been a growing priority for the GEF, as reflected in increased financial commitment to SIDS over recent replenishment periods.

National-level legal and regulatory frameworks are the most important contextual factor, and the quality of project design is the most important project-related factor, in outcome sustainability.

Ridge to reef, whole island management, and blue economy approaches benefit natural ecosystems and the local population.

The GEF has supported long-term sustainability of outcomes in SIDS through a variety of interventions. The improved sustainability ratings of several projects postcompletion point to the importance of allowing for longer project duration.

# Recommendations

Support integrated interventions such as ridge to reef, whole island, and blue economy approaches. Expand marine and coastal activities to reduce SIDS' reliance on tourism.

Regional programs should encourage knowledge transfer through a South-South capacity-building approach.

Strengthen institutional capacity in SIDS and pay attention to sustainability at the design stage.

Strategically explore renewable energy alternatives including wind, tidal, and ocean wave power and geothermal energy resources



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