



First Report of OPS5:

Cumulative Evidence on Challenging Pathways to Global Environmental Impact



GLOBAL ENVIRONMENT FACILITY
EVALUATION OFFICE

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Background

- All replenishments have been informed by independent overall performance studies
- Since OPS4 they are undertaken by the independent Evaluation Office of the GEF
- OPS5 terms of reference and budget were approved by the GEF Council in June 2012
- Reporting is split: a first report at the start of the replenishment and a final report at the third meeting
- First report is an update of OPS4 through a meta-evaluation of cumulative evidence of the three years since OPS4

Problems and Funding

- More authoritative overviews are available than during OPS4
- Trends are worse and we are reaching the limits of our natural resources
- **Conclusion 1:** global environmental trends continue to spiral downwards
- Yet business as usual continues for complicated reasons, partly due to the financial credit crisis

The Global Gap

- The GEF is reaching a level of US\$ 1 billion in commitments annually
- Current global public funding for Climate Change is US\$ 10 billion annually
- Funding needs are generally assessed at more than US\$ 100 billion annually
- An insurmountable problem? Yet...
- Global Public Funding on subsidies for fossil fuels, water, fisheries, agriculture are generally assessed at more than US\$ 1 trillion annually
- **Conclusion 2:** Global environmental problems continue to be underfunded

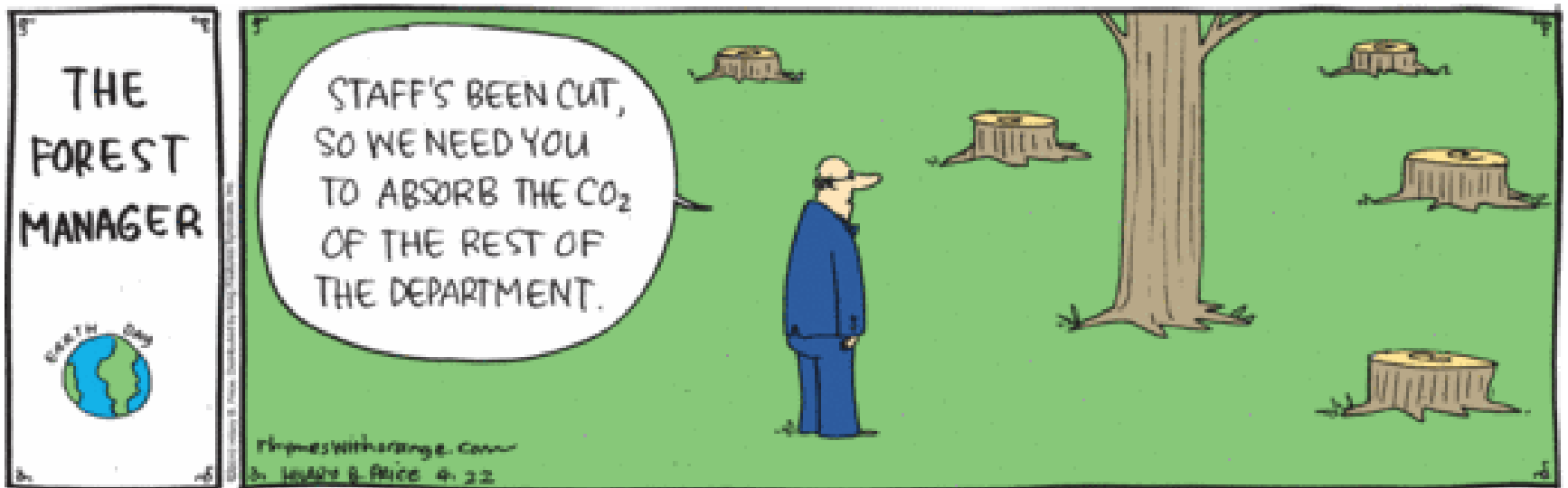
Available global
public funding > \$ 10
billion

Global public
funding needs > \$
100 billion

Public spending on
over-use of
resources > \$ 1 trillion



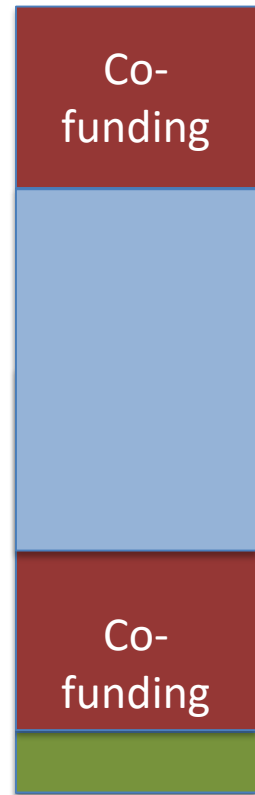
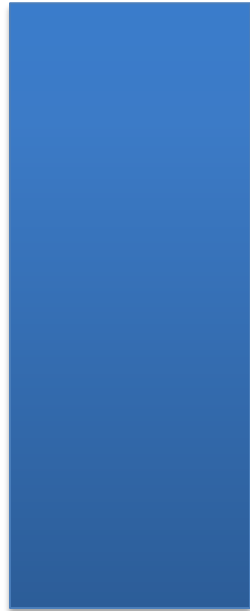
Can \$10bn solve the problems created by \$1tr?



Available global
public funding > \$ 10
billion

GEF funding \$ 1
billion

GEF + co-funding
increases envelop to >
\$ 13 billion



From outcomes to impact

Completed
projects

Satisfactory
outcomes
range > 80%

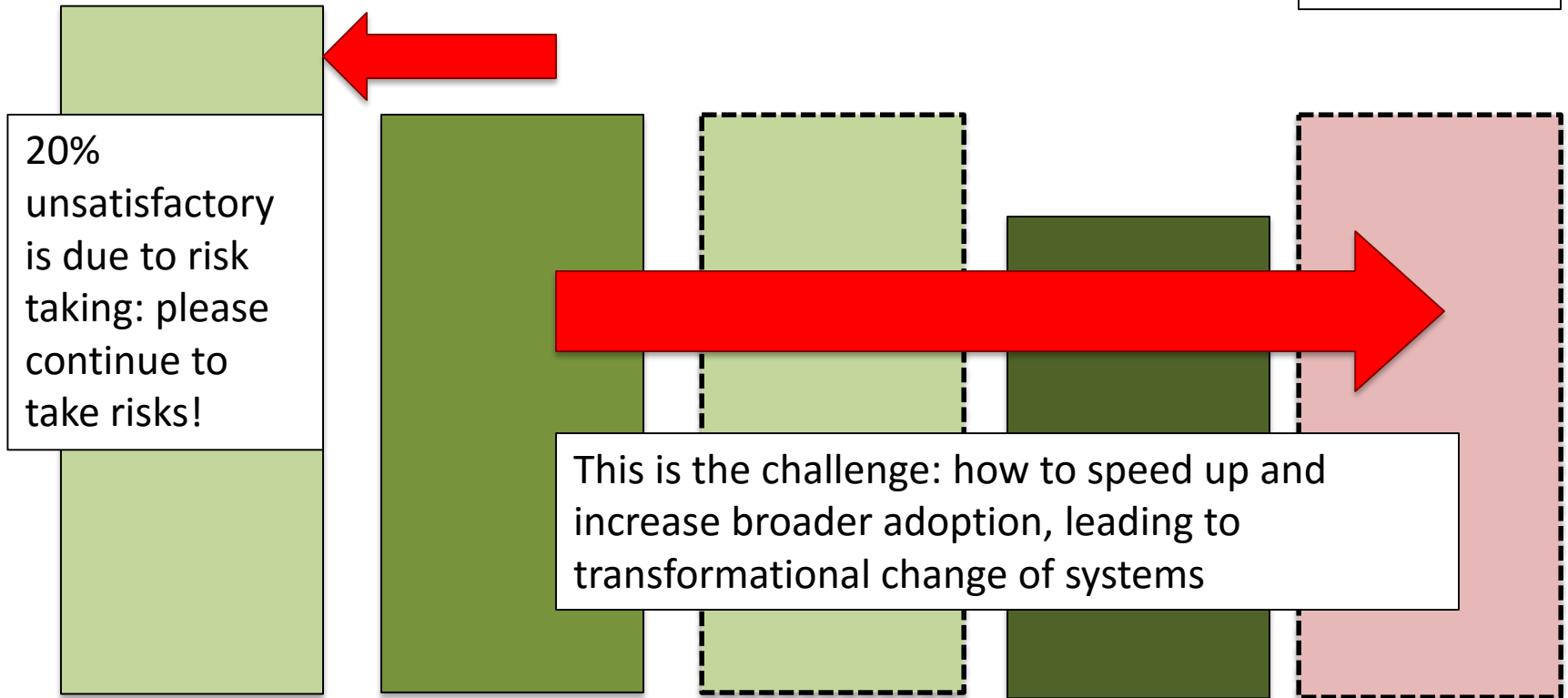
Progress
toward
impact 80%

Local
impact >
70%

Broader
adoption
faces
constraints

20%
unsatisfactory
is due to risk
taking: please
continue to
take risks!

This is the challenge: how to speed up and
increase broader adoption, leading to
transformational change of systems

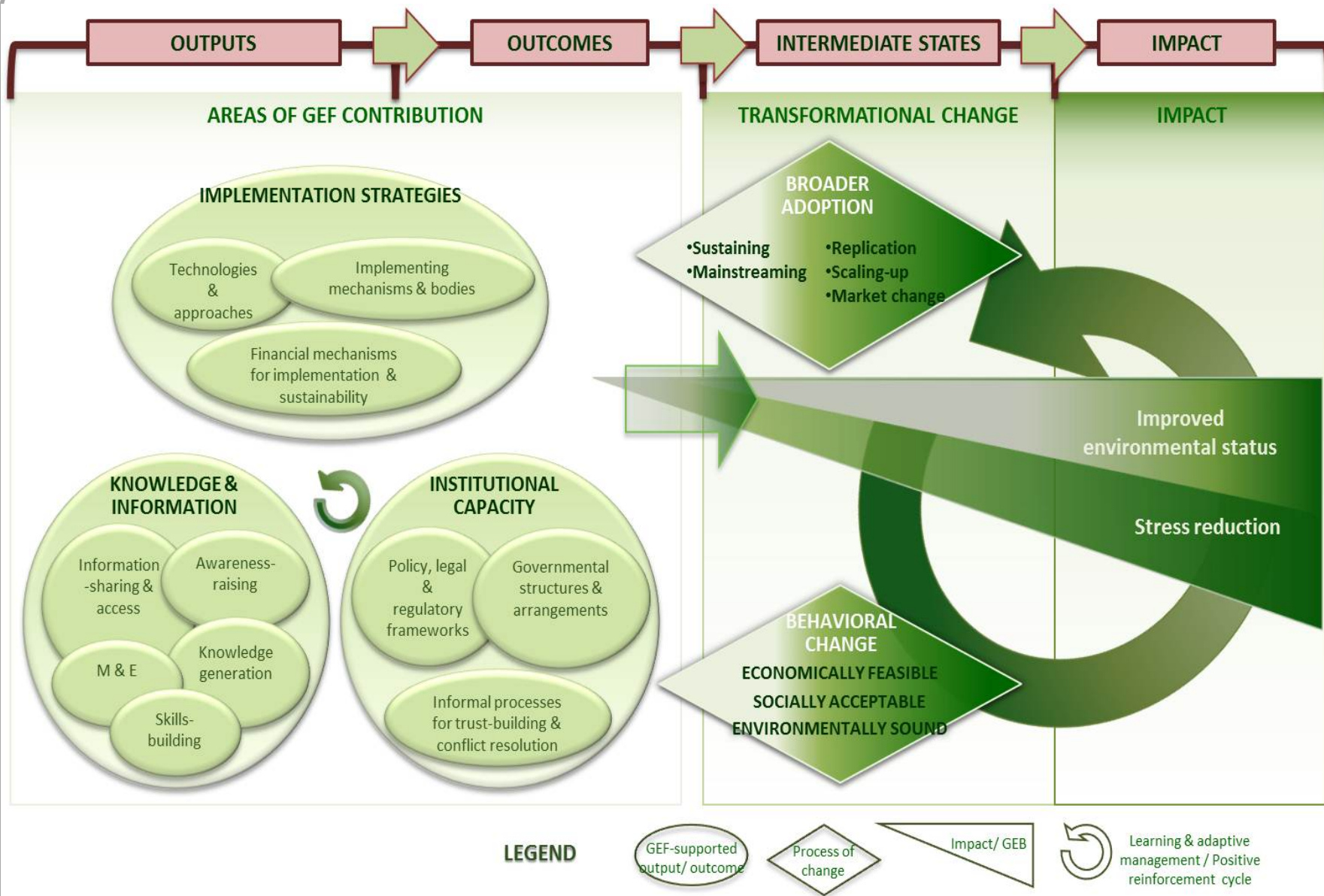


Outcome → Impact

- **Conclusion 3:** Compared to the international benchmark norm of 75 percent, more than 80 percent of GEF projects completed during GEF-4 and GEF-5 achieved outcome ratings of moderately satisfactory or higher.
- **Conclusion 4:** More than 70 percent of completed projects show positive environmental impacts, mostly at the local scale.
- **Conclusion 5:** The approaches supported by the GEF have resulted in the reduction of environmental stress at the local scale. GEF support is also contributing to legal, regulatory and institutional changes at higher scales, but improvements in environmental status at these scales requires a much broader adoption of the promoted approaches and technologies.

Broader Adoption

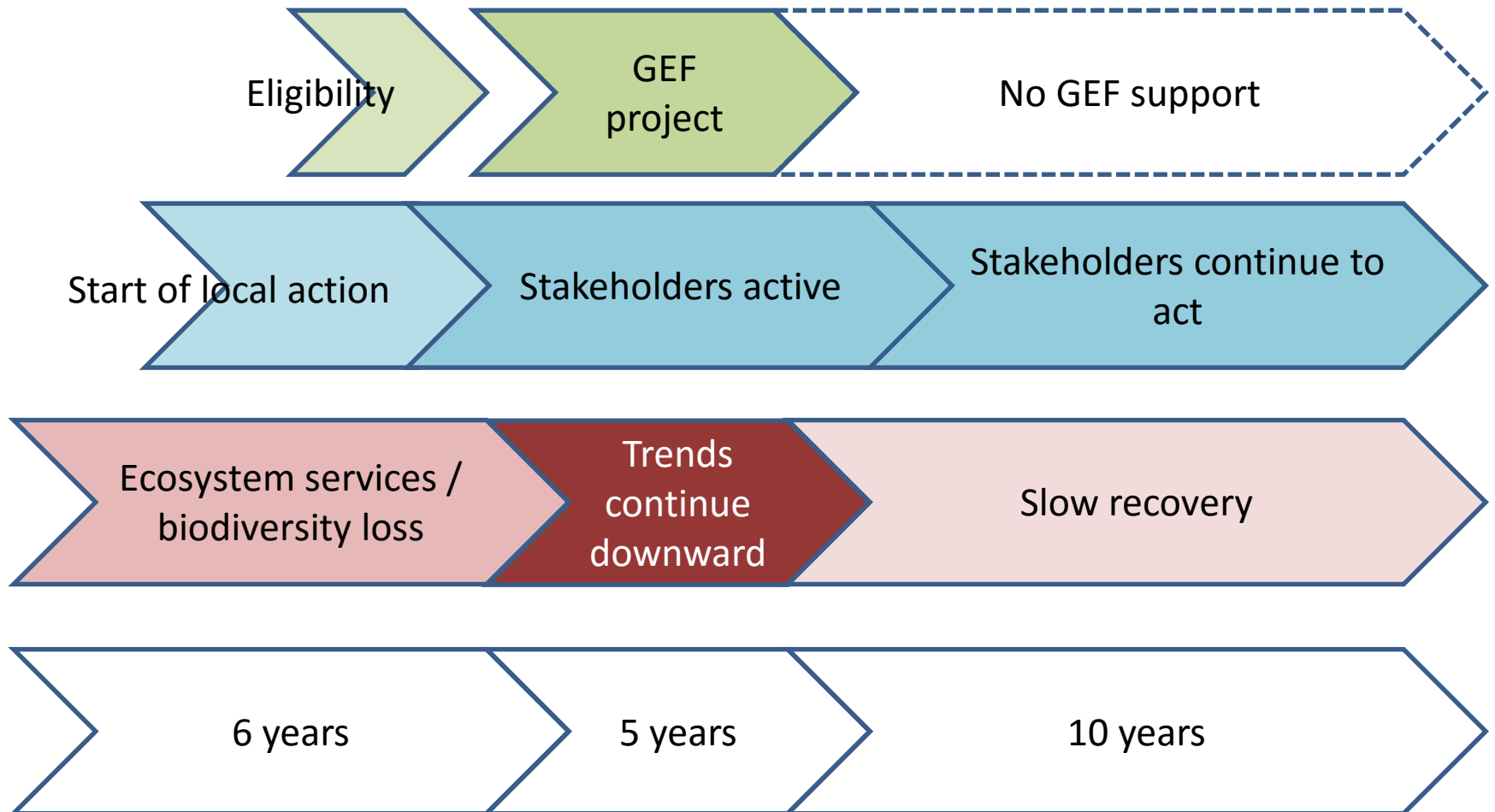
- ◆ **Mainstreaming:** Information, lessons, or specific results of the GEF are incorporated into broader stakeholder mandates and initiatives such as laws, policies, regulations, and programs
- ◆ **Replication:** GEF-supported initiatives are reproduced or adopted at a comparable administrative or ecological scale, often in another geographical area or region
- ◆ **Scaling-up:** GEF-supported initiatives are implemented at a larger geographical scale, often expanded to include new aspects or concerns that may be political, administrative, or ecological in nature
- ◆ **Market change:** GEF-supported initiatives catalyze market transformation by influencing the supply of and/or demand for goods and services that contribute to global environmental benefits



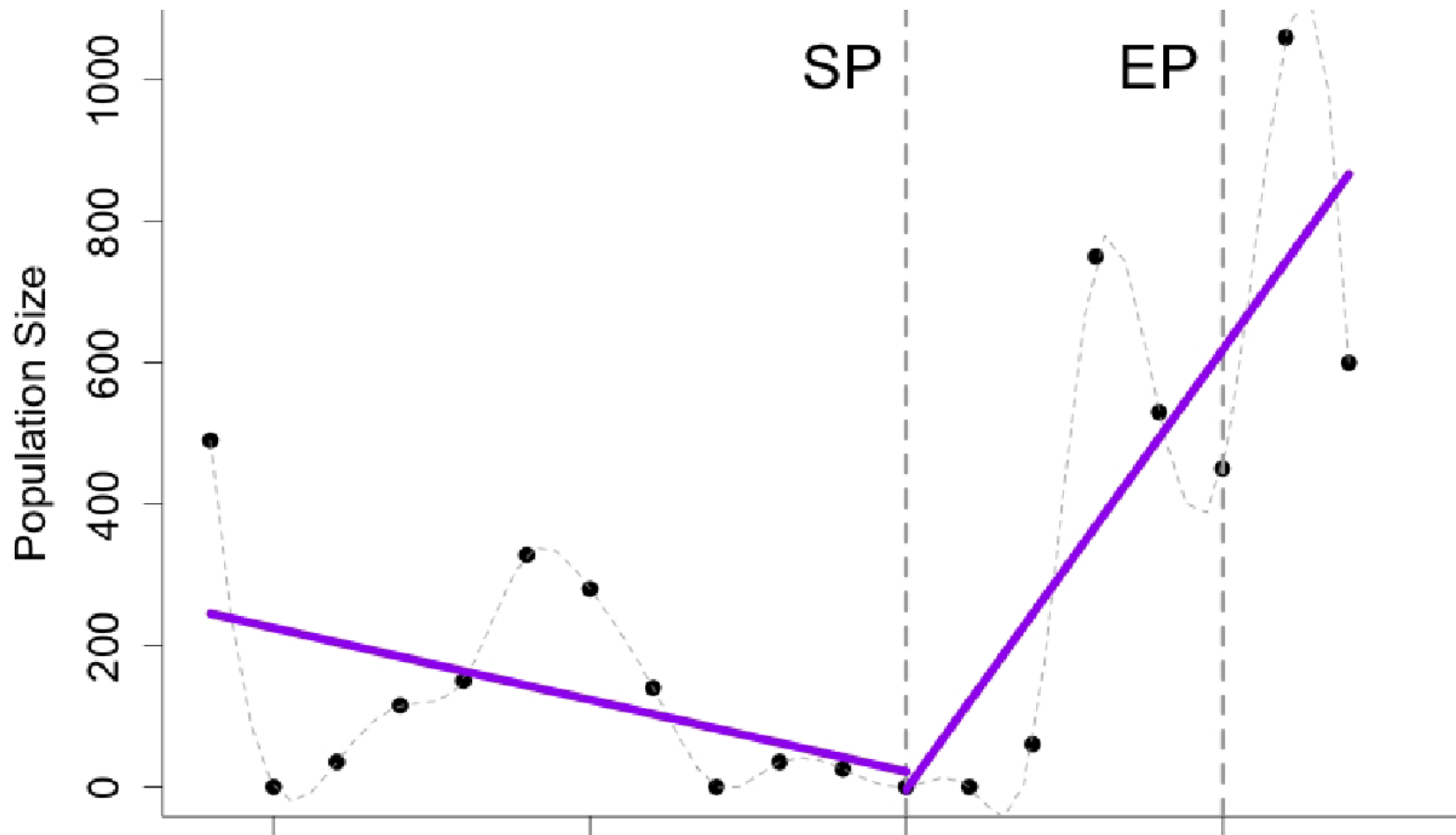
Time Horizons

| Focal area | Final Impact | Trend | When impact would be achieved |
|----------------|---|--|---|
| Biodiversity | Healthy ecosystems in which biodiversity is sustainable | Increasing degradation of ecosystems | While some ecosystems are becoming more sustainable, global biodiversity is still going down and we face mass-extinction of species |
| Climate Change | Global warming halted | Scenario to remain within 2 degrees seems lost | Not achievable in the next 100 years? |
| Ozone Layer | Ozone Layer restored | Some restoration of ozone layer is now visible | 60-75 |

Role of the GEF



Time series abundance data for a single bird species in the Danube Delta. Black circles are individual data points. Purple lines show population trends before and after GEF involvement. SP: Start of Project date, EP: End of Project date.





Impact indicator: one species



Impact indicator: ecosystem health

OPS5: at project end some local impact visible, but no system impact

OPS5: after 5-8 years some system impact visible

Start of local action

Stakeholders active

Stakeholders continue to act

Ecosystem services / biodiversity loss

Trends continue downward

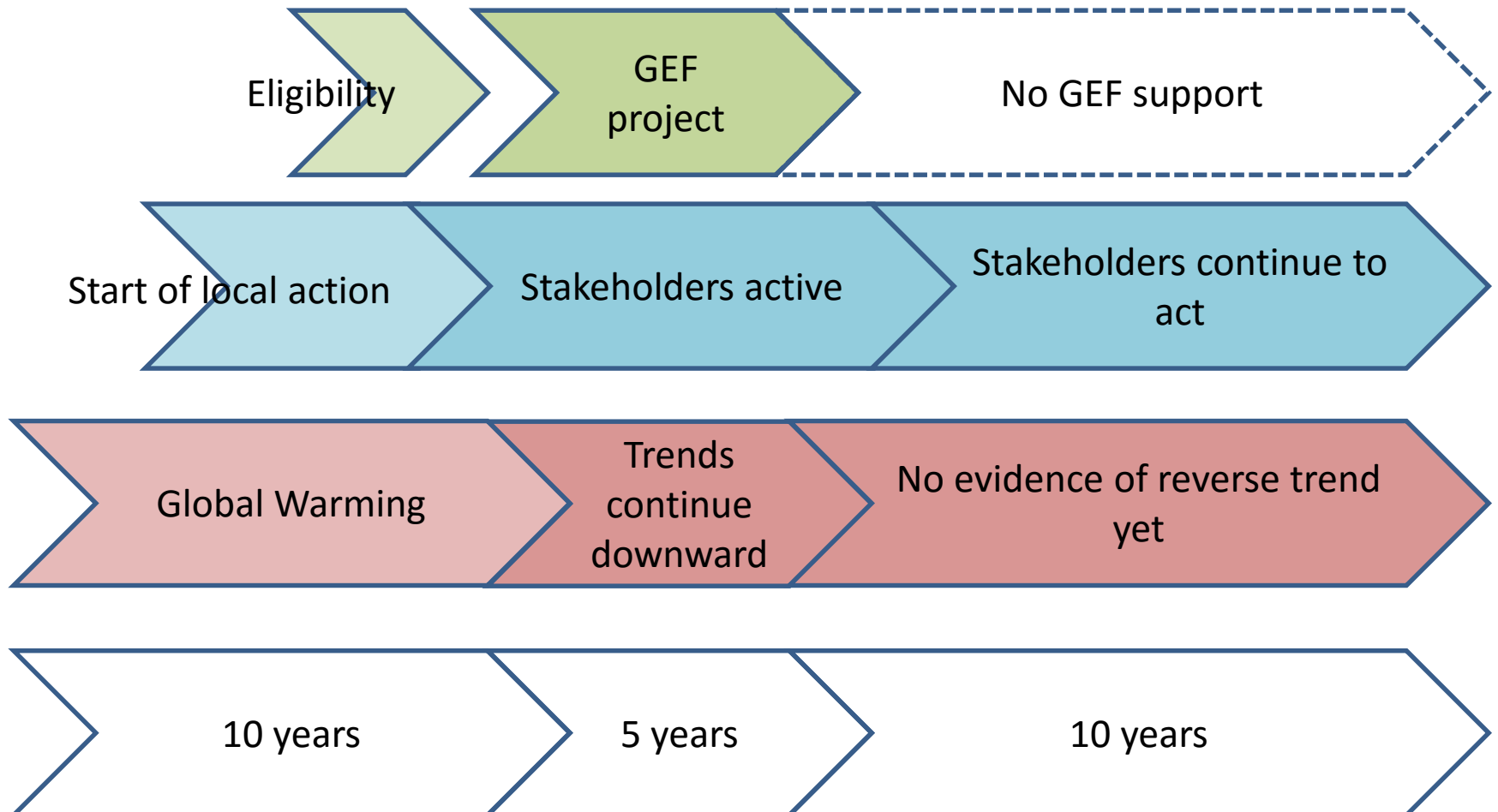
Slow recovery

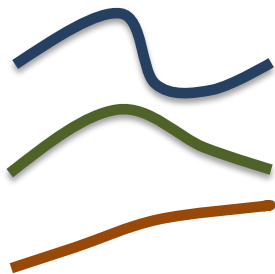
6 years

5 years

10 years

Climate Change

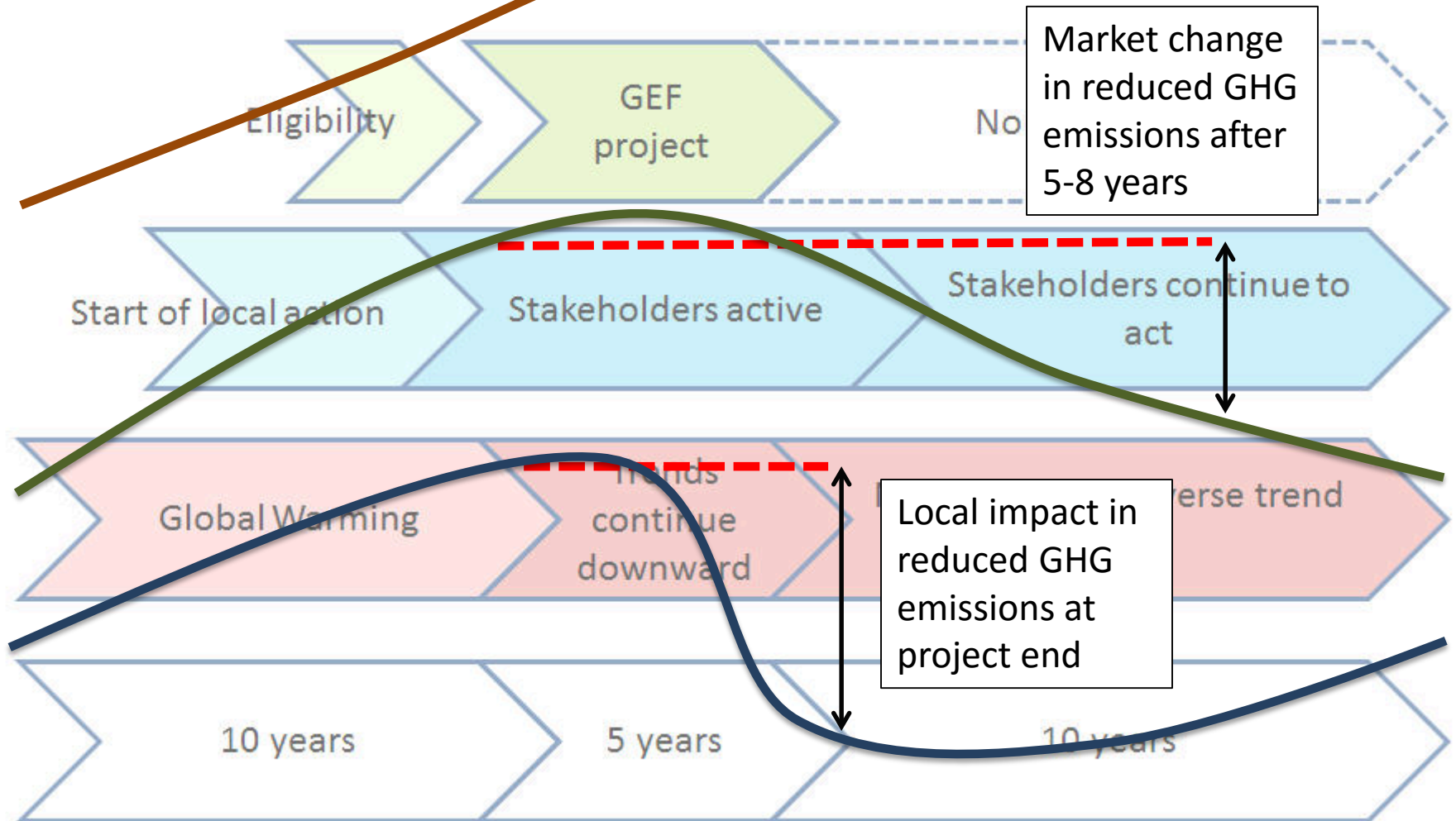




Local impact measured in GHG emissions

Market change measured in GHG emissions

Global GHG emissions



Guidance

- **Conclusion 6:** The overall level of GEF responsiveness to convention guidance is high at both the strategic and portfolio levels
- Several features of convention guidance make operationalization by the GEF challenging: ambiguous language, lack of prioritization, cumulative nature, and repetition
- At times, convention guidance is not realized due to a lack of resources, including short-term availability between replenishments, or because requests were interpreted as not eligible for GEF funding

Focal Area Achievements

- Compared to the indicative allocations of the GEF-5 replenishment, approved funding for activities mainstreaming environmental goals into productive landscapes are significantly higher than expected
- GEF strategies and programs have been very consistent over time, and most GEF-5 objectives can be traced back to the original operational programs of 1996.

Continuity and Change



Impact/ROtI



OPS5 Evaluations Cohort



Country level & thematic evidence



Pilot

GEF1

GEF2

GEF3

GEF4

GEF5

Country Level Evidence

- **Conclusion 7:** GEF support at the country level is well aligned with national priorities, shows progress toward impact at the local level, and enables countries to meet their obligations to the conventions
- Country-level evidence supports impact analysis concerning broader adoption, including the focus on mainstreaming and the role of capacity building
- Country-level evidence strongly confirms GEF relevance to national needs as well as to the GEF mandate of achieving global environmental benefits
- GEF support provided through enabling activities is highly relevant in helping countries addressing environmental concerns, especially for LDCs and SIDS
- Multifocal area projects emerge increasingly in country portfolios, which requires exploring new ways to do business

Paris Declaration

- **Conclusion 8:** GEF support to countries rates well on indicators for meeting the Paris declaration and outperforms bilateral and multilateral donors on alignment with national priorities
- International joint evaluation of Paris Declaration, phase 2: slow progress to alignment
- CPE evidence: strong alignment (22) or more than moderate (5)
- Alignment does not automatically lead to ownership, which scores well but more in line with other donors

Performance Issues

- Final report of OPS5 will contain substantive chapter on this, reporting on STAR and NPFE mid-term reviews and providing more analysis
- The level of materialized cofinancing vis-à-vis expected cofinancing reported for the OPS5 cohort of completed projects is higher than that for earlier cohorts
 - Yet complaints about cofinancing persist; more in final report
- The Agency fees provided by the GEF for implementation of its project portfolio have dropped compared to earlier periods
- There are early indications that compared to GEF-4 the time lag between PIF approval and CEO endorsement of full-size projects has been reduced significantly for the GEF-5 period.
- The level of compliance with GEF requirements for M&E arrangements in projects at the point of endorsement has improved compared to earlier periods

Overarching Conclusions

- **Conclusion 9:** Evidence from several evaluations points to the emergence of multifocal area projects and programs as a strong new modality of the GEF. This poses challenges for the formulation of the strategies for GEF-6
- **Conclusion 10:** Impact and country-level evidence show that there is scope for improving progress toward impact through incorporating broader adoption strategies in project and program design

Recommendation

- **The replenishment meeting should request that the secretariat develop strategies for GEF-6 that would strengthen efforts toward broader adoption and focus on more programmatic multifocal area approaches, within the guidance of the conventions**

Key Issues in the Final OPS5 Report

- **Relevance** and **added value** of the GEF, also in view of other funding channels
- Ability of the GEF to **mobilize sufficient funding** for a meaningful role in focal areas, as well as donor performance
- A more in-depth look at impact of the GEF focal area strategies, with a focus on **multi-focal area** support and on **broader adoption** of results to achieve system impact
- Extent to which the **GEF reform processes**, such as STAR, NPFE and the project cycle, have achieved enhanced country ownership and improved effectiveness and efficiency
- Trends in the involvement of stakeholders, the **private sector** and **civil society**
- **Cross-cutting policies**: gender, indigenous people, participation, knowledge sharing, communication
- Update of the **SGP** evaluation (since 2009)
- Role of **STAP**
- **Health** of the GEF Network

The final report will be presented to the third replenishment meeting, December 2013



Thank you

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