



Final Report of OPS5:

At Crossroads for Higher Impact



GLOBAL ENVIRONMENT FACILITY
EVALUATION OFFICE

Rob D. van den Berg
Director
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Overview

- Reporting is split: a first report at the start of the replenishment and a final report at the third meeting
- First report: cumulative evidence of the three years since OPS4
- Final report: comprehensive overview
- Published version for Assembly will need to integrate several issues from first report: relevance (guidance from conventions) and country ownership
- Statement of Senior Independent Evaluation Advisors is available
- Presentation split in two
 - overall judgment and issues concerning “business model”
 - “intervention model”

OPS at Start of Replenishment?

- What was available in January?
 - Longer term evaluative evidence: effectiveness, impact
 - Relevance to the conventions and to countries
 - Review of strategies
- Performance evidence: not yet conclusive
 - STAR, NPFE, project cycle streamlining, gender: too early
 - Networking/partnership: findings would not have been as substantial
- Earlier evidence would have been possible on RBM/KM, STAP, and private sector/civil society organizations engagement
- OPS6: more streamlining into regular evaluation programming and some sub-studies for first report

Three Levels of OPS5

- 1) Main Conclusions and Recommendations: overarching findings (3) and overarching recommendations (3) with 16 specific recommendations
- 2) Six substantive chapters with 46 specific recommendations; approximately 30 additional ones
- 3) 20 technical documents on the website

Overall Judgment

- To the extent that its overall funding level permits, the GEF is **relevant** to the conventions and to regional and national priorities
- The **efficiency** of the GEF continues to be problematic, due to an out-of-date “business model” that includes networking arrangements that have become too complex, a focus on approval of projects rather than programs and an overburdened results-based management system
- GEF projects are **effective** in producing outcomes, with their average score over the GEF-5 period of more than 80 percent exceeding the international benchmark of 75 percent
- **Sustainability** and progress toward **impact** of these outcomes is promising – only 7 percent of the completed projects show no evidence of broader adoption or environmental impact – and can be further strengthened by catalyzing broader adoption and speeding up progress toward impact
- **The GEF is achieving its mandate and objectives**

Added Value

- The **added value** of the GEF is found in its unique position as a financial mechanism of multilateral environmental agreements, which allows it to focus its support on priorities that have been agreed upon internationally and are acted upon in a catalytic way at national, regional and global levels

Evidence Basis

- 33 evaluations and studies undertaken by IEO since OPS4
- 20 technical documents and several additional studies
- Full GEF portfolio of 3,566 projects from pilot phase through Sept. 30
 - Outcome evidence on 491 completed projects
 - Design and implementation evidence on 969 projects approved since the close of OPS4
- Field-level evidence from 54 countries
 - From more than 115 FSPs and MSPs
 - From more than 90 SGP projects

Portfolio Overview

- Level of annual commitments increasing over time
- Share of biodiversity and CC has remained around 30 % each; IW went down from 17% in GEF-2 to 9% in GEF-5
- Share of Land Degradation and Chemicals remains at about 10 % each; SFM/REDD+ emerged at 4%
- Emergence of multi-focal area projects as dominant modality
 - Problem-driven and answer to specific country conditions
- SGP reaching up to almost 10% of funding
- UNDP, World Bank and UNEP remain dominant with 42, 23 and 10 %; new agencies score between 1.5 and 6.3 %
- Support to SIDS and Fragile states went up substantially
- Africa, LDCs and landlocked countries have seen modest increases

Conclusion 1

- Global environmental trends continue to decline
- The replenishment may show no increase in purchasing power, while the GEF has accepted more obligations
 - Higher level of funding leads to faster progress toward impact
 - Mercury convention

Recommendation 1

Resource mobilization and strategic choices in the GEF need to reflect the urgency of global environmental problems

- 1) Burden-sharing arrangements and pro-rata contribution arrangements should be abandoned in the GEF replenishment, as they hurt rather than help
- 2) Broadening the financing basis should be further explored and should include an invitation to the European Commission to become a donor to the GEF
- 3) A no-risk soft pipeline, accepted practice in many bilateral aid organizations and many international organizations, should be initiated
 - This could lead to speeding up the delivery of about \$400 million of transfers to recipient countries at a time that the urgency of global environmental problems is increasing

Conclusion 2

- The “Business Model” of the GEF is no longer appropriate and leads to growing inefficiency



Inefficient Delivery

- Delivery is slow...
- Costs too high?
- RBM burden too heavy...
- Communication difficult...

Inefficient Delivery

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Delivery is slow...

	50 % through in	# of months
Project concepts to Work Program		6
From Work Program to CEO Endorsement		20
From CEO Endorsement to implementation		5
	Total:	31 (2.5 years)
	Implementation average:	60
	Terminal evaluation:	12
	Total from conception to verification of outcomes:	103 (8.5 years)

- Verification of GEF-5 results: only 17% is at CEO endorsement stage
- Target of 18 months only focuses on one of the steps in the cycle
- Programming shifts attention to pre-work program phase

Project cycle problems

- PIF/project concept was supposed to focus on eligibility but became information heavy
- Delays caused by RBM burden and co-financing requirements
- Tendency to go back-and-forth on proposals
 - PIFs with more than 2 (re-)submissions: 23 %
 - CEO endorsement proposals with more than 2 (re-)submissions: 15%
- Programmatic approaches and harmonization show promise

Project cycle recommendations

- Council to shift towards approving programming (on a voluntary basis) where possible
- Work Program inclusion of PIFs per CEO decision, on a no objection basis
- PIF focus on eligibility; no RBM info and no co-financing guarantees
- CEO endorsement to focus on RBM; co-financing to be guaranteed at Agency approval
- If project concepts or proposals for CEO endorsements require more than two interactions between Secretariat and Agency, issues should be solved in diagnostic workshops

Inefficient Delivery

- Delivery is slow...
- **Costs too high?**
- RBM burden too heavy...
- Partnership difficult...

Costs too high?

- GEF was based on assumption of mainstreaming of environmental concerns in Agencies through GEF involvement
 - Expectation was that Agencies would invest in GEF through co-financing also at corporate level
 - Innovation and risk taking require higher costs
- Agencies are pushed towards full cost recovery
- GEF is pushed towards reduction of fees
- Yet requirements and interactions continue to increase costs

Inefficient Delivery

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- **RBM burden too heavy...**
- Partnership difficult...

RBM burden too heavy...

- Best International Practice: aim for 5-10 indicators/targets, easily measured from available data
- Differentiate between indicators and targets for learning versus accountability
 - Indicators/targets to show whether GEF is on track versus targets as milestones...
- Differentiate between indicators for management and for global public knowledge
- GEF-4: more than 140 indicators
- GEF-5: more than 180 indicators
- GEF-6 proposals: reduction to about 120
- Tracking tools complicated and not user friendly
- Multi-focal area projects continue to be overburdened

RBM recommendations

- The results based management framework for GEF-6 should include a limited number of outcome indicators that can be measured through existing or easily generated data
- The Independent Evaluation Office should assess the evaluability of this framework
- Finalization by the Council
- Tracking tools should be simplified and where global public knowledge databases are receiving the generated data, this should be implemented and funded separately and adequately
- The burden of the tracking tools on multi-focal area projects should be reduced

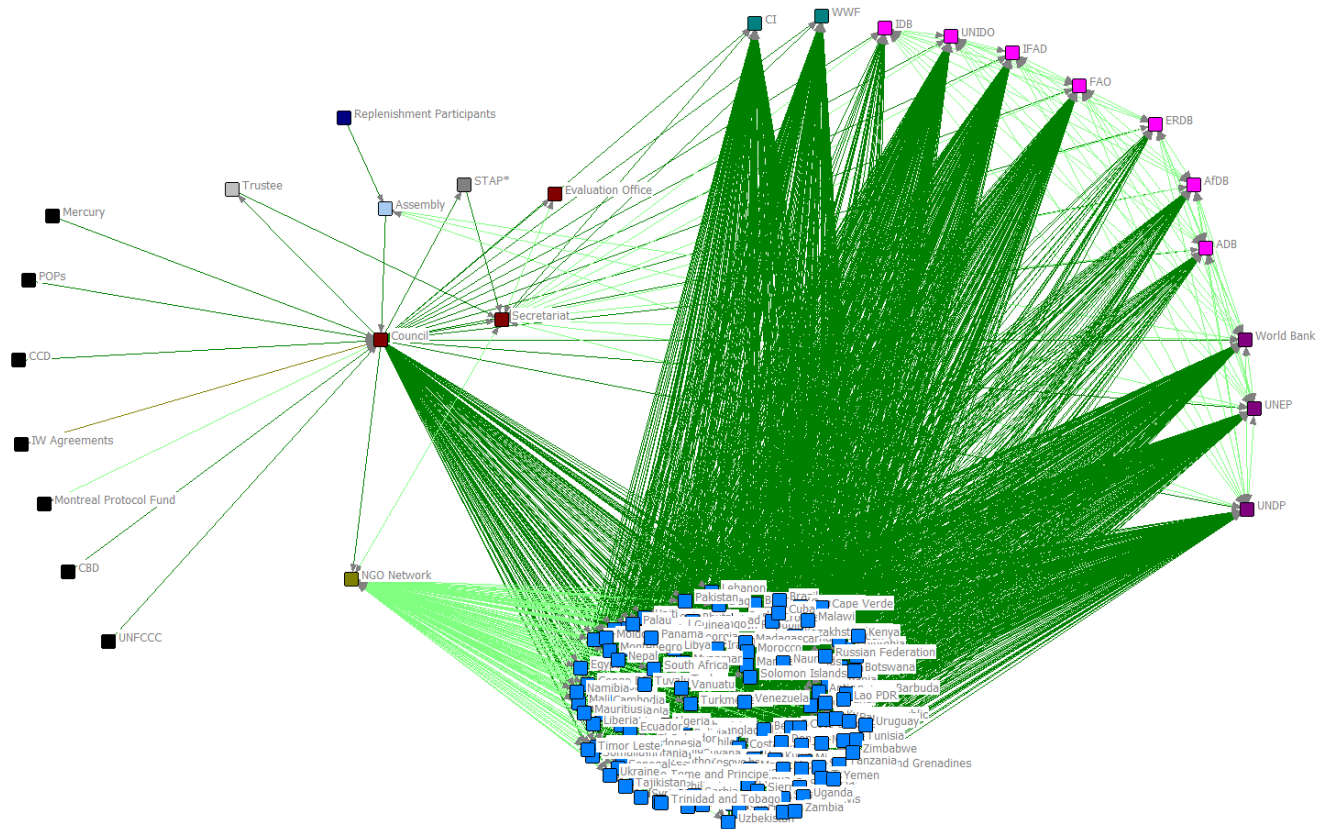
Inefficient Delivery

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- **Partnership difficult...**

Partnership difficult...

- OPS3 warned that network was becoming too dense
- Problems have been averted by reducing communications and involvement of GEF agencies
- But limits of network communications are now reached
- Communications may increase, but partners have less "voice"
- But voice is essential to achieve:
 - Agreement on roles and responsibilities
 - Adequate input of resources
 - Transparency
 - Accountability and trust between partners
- Vision of "partner of choice" is endangered

Network Proliferation...



Co-Financing

- Co-financing is especially important at country level
- Countries on average commit more in co-financing than they receive from the GEF
- Co-financing brings benefits
 - Increased country ownership; efficiency gains; risk reduction, synergies, greater flexibility and better follow-up
- Co-financing ensures that **GEF funds only incremental costs**
- OPS3, OPS4 and now OPS5 warn against one-size fits-all approach for co-financing and indiscriminate drive towards higher co-financing ratios
- Realized co-financing is consistently higher than promised co-financing
- Cost of mobilizing co-financing insufficiently taken into account

Partnership recommendations

- The GEF should shift co-financing considerations to programming (through updated guidelines) and to the CEO endorsement and GEF Agency approval stages, to encourage partners on the ground to continue to find appropriate solutions that lead to high levels of co-financing, solid financing of baselines and increased global environmental benefits
- The network of the GEF should redefine the inclusion of partners at decision points, focusing on Council decisions on strategies and policies on the one hand and on country level decisions, coordinated by Operational Focal Points on the other hand
- The replenishment should invite the Council, the CEO and the GEF partners to develop a new partnership vision during GEF-6



Thank you / part I

ops5@thegef.org

www.gefeo.org

From Delivery to Results

- Inefficient delivery does not mean that it is also ineffective...
- Results of the GEF supported projects are quite impressive: more than 80% have satisfactory outcome ratings
- Only 7% of projects show no progress toward impact, as measured through broader adoption and/or environmental impact

From outcomes to impact

Completed projects
(281)

Satisfactory outcomes
range > 80%

Broader adoption
initiated 90.5%

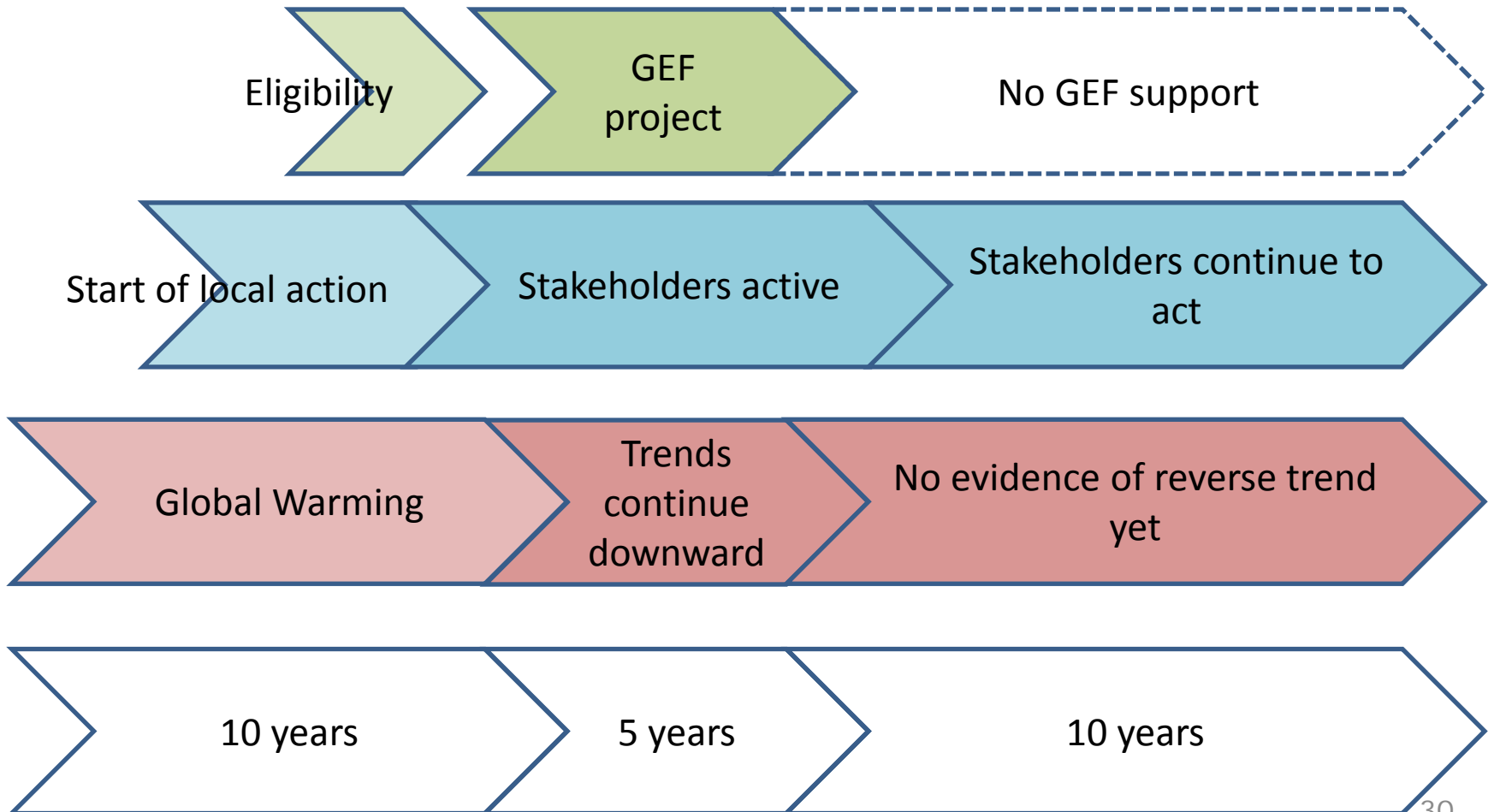
Impact
> 65%

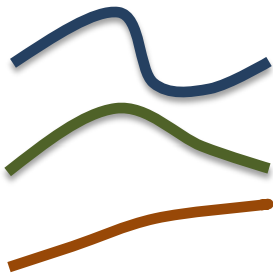
Potential system
impact:
92.8%

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

Climate Change

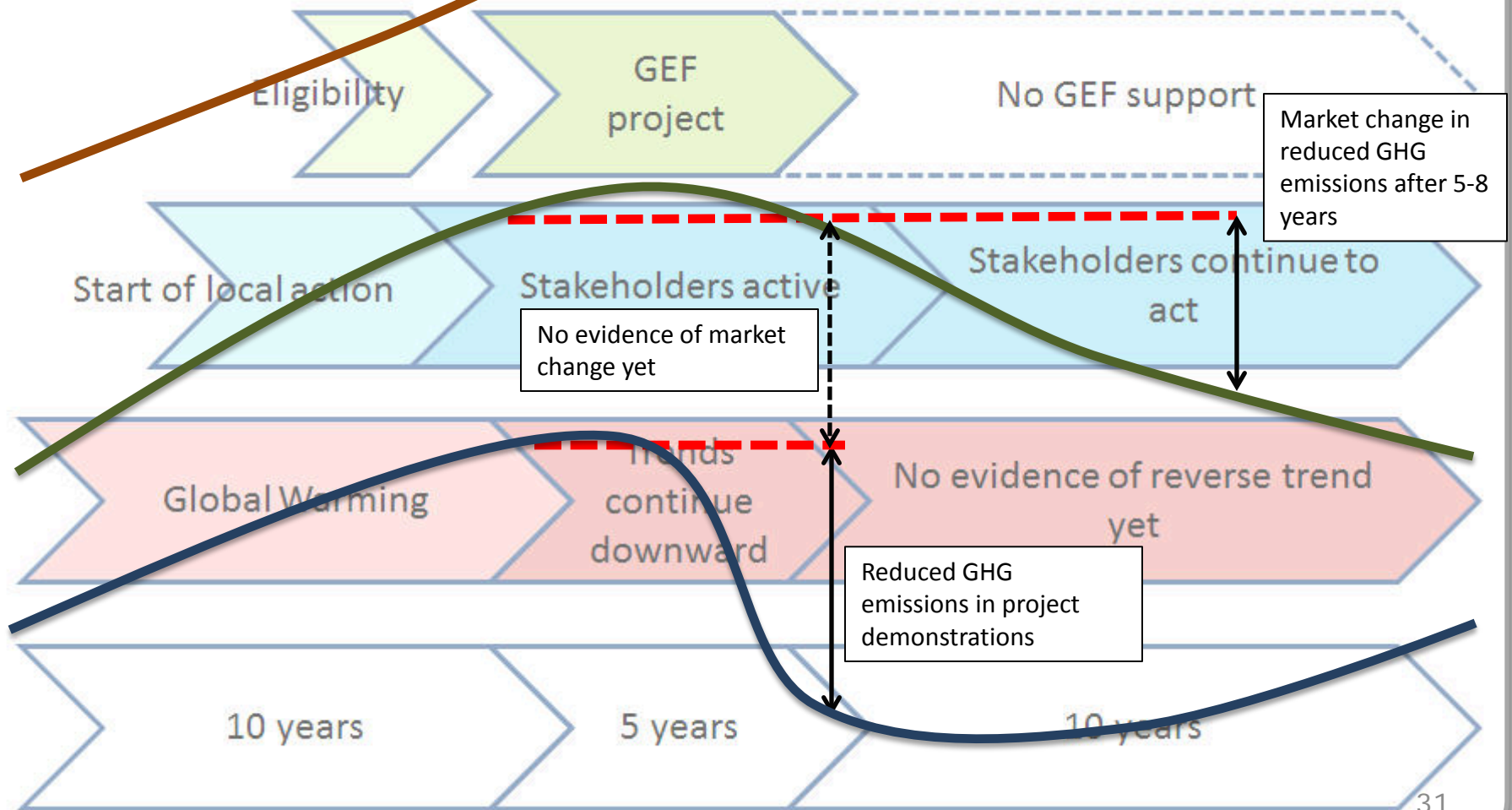




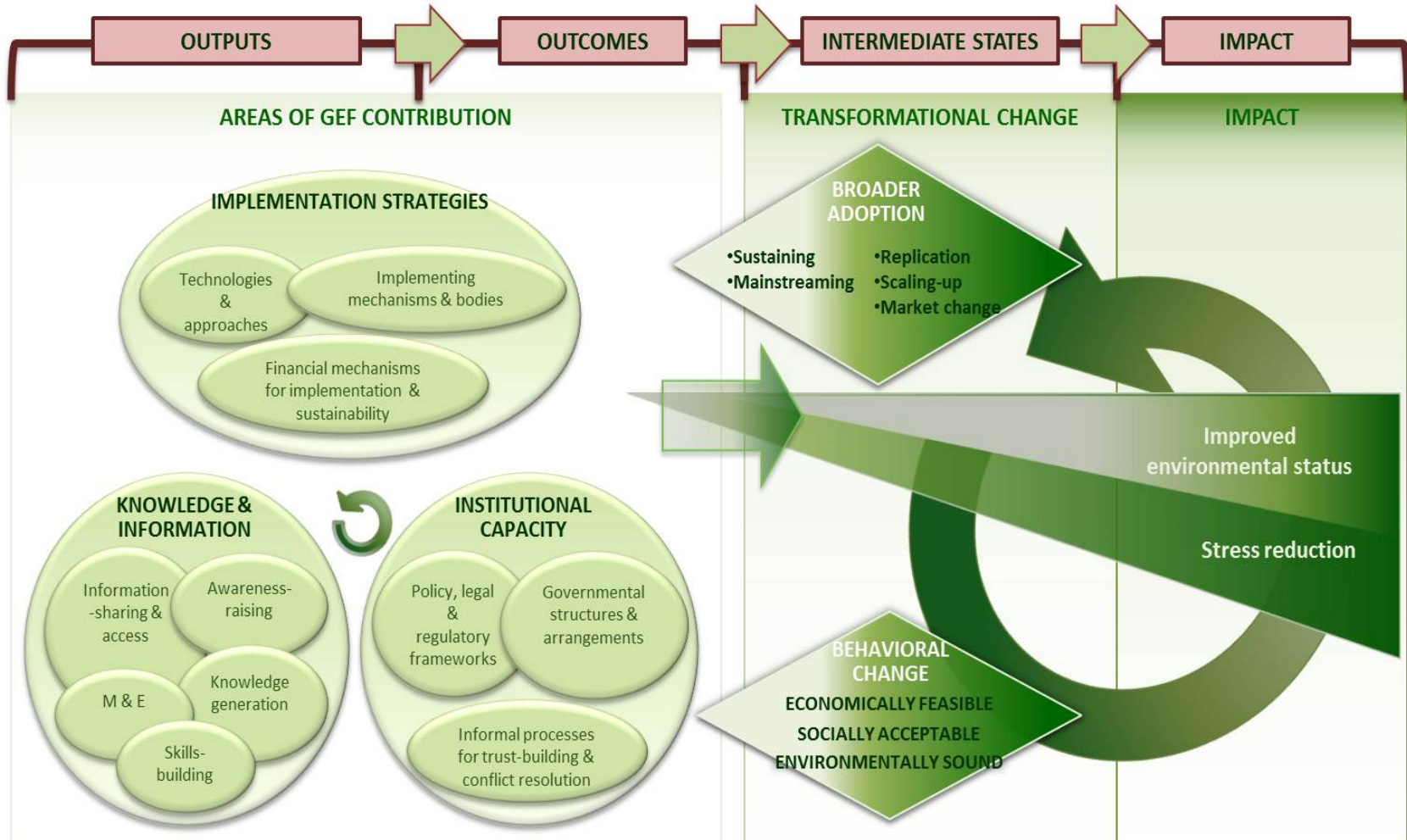
Adoption of new technology with lower GHG emissions

Market change measured in GHG emissions

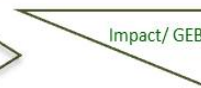
Global GHG emissions



Intervention Model



LEGEND



Learning & adaptive management / Positive reinforcement cycle

Intervention Logic

- Interventions supported by the GEF are carried out in order to achieve the following objectives
- To maximize the impact of the intervention, the following model of business support should be applied and supported in order to achieve the following business model



Key Recommendations

- Make broader adoption an important focus of national and regional programming
- Civil society organizations and private sector engagement should be taken up in portfolio identification, as well as in focal area strategies
- Strategic roles for STAP and for SGP
- Action plan on mainstreaming gender
- Knowledge brokerage and capacity development

How to Increase Impact?

- Mechanisms for Broader Adoption
- Civil Society Organizations
- Small Grants Programme
- Private Sector Engagement
- Gender Mainstreaming
- Focal Area Issues
- Role of STAP
- Knowledge Brokerage and M&E

Factors Affecting Progress Toward Impact at Project Completion

	CONTRIBUTING FACTORS	HINDERING FACTORS
PROJECT-RELATED	<ul style="list-style-type: none"> • Good engagement of stakeholders • Highly relevant technology/approach • <i>Broader adoption processes initiated using project resources</i> 	<ul style="list-style-type: none"> • Poor project design • No activities to sustain project outcomes
CONTEXTUAL	<ul style="list-style-type: none"> • Country support • Previous/current related initiatives (by government, global events, etc.) • <i>Other stakeholder support</i> 	<ul style="list-style-type: none"> • Other unfavorable political/policy conditions/events • Unfavorable economic conditions/events/ drivers • <i>Lack of country support</i>

REALM OF GEF CONTROL

Civil Society Engagement

- Essential to achieve broader adoption
- Although systematically included in GEF affairs, engagement often stops short of being meaningful
- The public involvement policy of 1996 needs to be updated and included in programming guidance
- PMIS needs to systematically gather data on CSO engagement
- Terminal evaluations need to include questions on CSO engagement

Small Grants Programme

- First phase evaluation report concludes that SGP continues to be effective
- New modalities for interaction between SGP and other country level support emerge
- M&E for SGP is too complex and not suitable for local communities
- Strategic guidance on these issues would be welcome
- Steering Committee for SGP should be revitalized and asked to provide a management response to the evaluation

Private Sector Engagement

- Essential to achieve broader adoption
- GEF has strong track record in engaging with the private sector in focal areas, especially climate change and chemicals
- Set asides for private sector (e.g. Earth Fund) have been less successful
- Best possibilities for engagement need to be identified at the national and regional levels
- Focal areas should consider how private sector engagements can address sectors that have severe impacts on the environment
- Knowledge brokerage and M&E on private sector engagement

Gender Mainstreaming

- Mainstreaming policy has been adopted in 2011
- OPS5 provides a bleak picture of the baseline that this policy aims to improve
 - Many projects that were considered “gender not relevant” were in fact relevant
 - SIEA: gender evaluation of “not relevant” projects would show more relevant projects
- The GEF should adopt an action plan to implement the policy
 - STAP, knowledge brokerage & M&E can support

Focal Area Challenges

- Biodiversity: strong performance in environmental impact, low private sector engagement
- Climate Change: strong performance in stress reduction and private sector engagement / challenge to achieve market transformation
- International Waters: time dimension and achieving regional sustainability & impact
- Other focal areas: time horizon
- Multi-focal area projects: M&E burden
- Resilience: framework document on resilience throughout GEF focal areas should be finalized

STAP

- More strategic role of STAP needed and functional independence strengthened
- Integrative work across focal areas needs to be strengthened
- Coverage of sciences needs to be broadened
- Targeted research to be revitalized
- Technical advice on projects needs to shift from project to program and/or strategy level
- UNEP should enhance its support to STAP

Knowledge Brokerage and M&E

- Learning is now mainly in silos
- GEF communities of practice could break through these silos
 - GEF IEO has proposed a community of practice on impact and broader adoption
- Knowledge brokerage and capacity development strategy to be developed
- The burden of M&E in the GEF needs to be reduced
 - Professional peer review of the GEF evaluation function
 - Work program for GEF-6
 - Terminal evaluation guidelines
 - Evaluability assessment of RBM for GEF-6
 - Stronger engagement of GEF IEO in knowledge brokerage

Strong Delivery for Impact





Thank you

ops5@thegef.org

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