OPS5

FIFTH OVERALL PERFORMANCE STUDY OF THE GEF

PROGRESS TOWARDS IMPACT

OPS5 Technical Document #12

gef IEO Independent Evaluation Office
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Progress towards Impact

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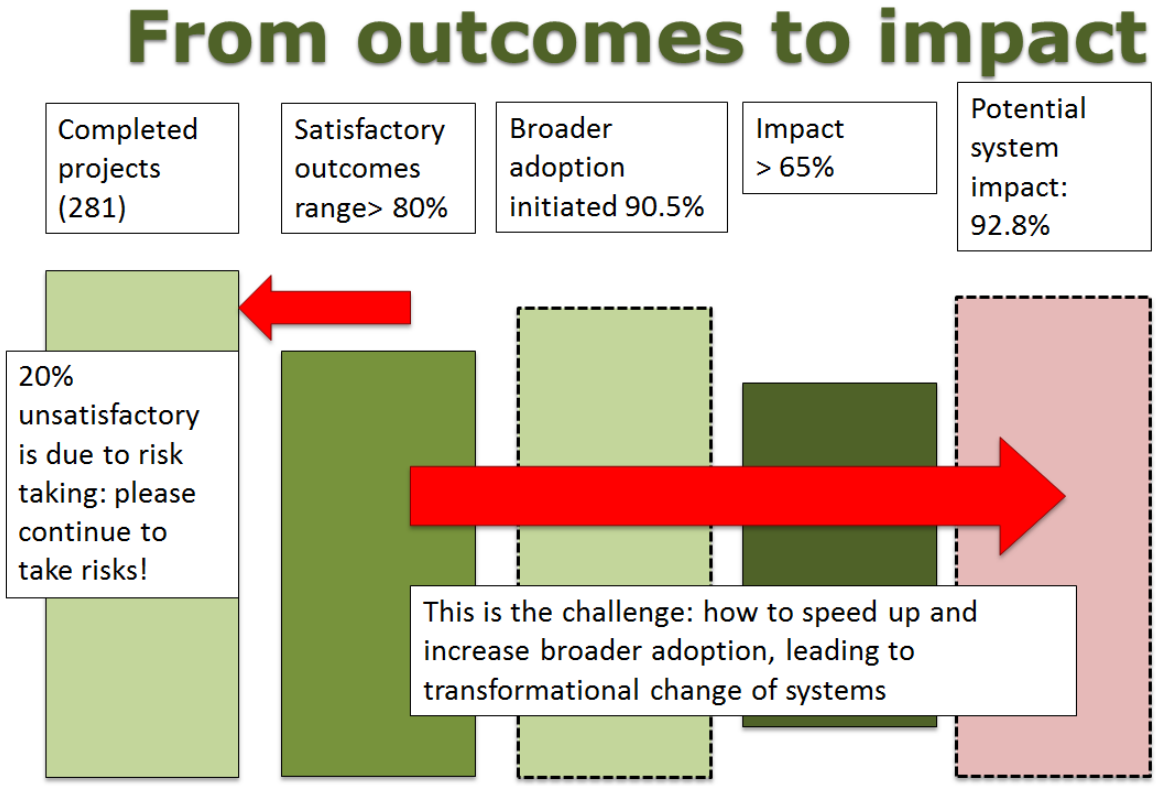
Progress towards Impact across the Portfolio

1. The first report of OPS5 presented analysis on the basis of impact evaluations since OPS4, and focused on the importance of broader adoption taking place during and especially after GEF interventions had ended. This study focused on assessing the extent of progress towards impact, and the factors that contributed to or hindered this. Specifically, the analysis aimed to assess in greater detail the status of three areas at project completion: 1) the extent and scale of broader adoption, 2) the extent and scale of stress reduction and improved environmental status, and 3) the factors contributing to and hindering progress towards impact, both related to the project and the larger context.

Figure 1 – Progress toward impact after completion of projects



2. The deeper analysis for the final report confirms the finding in the first report of OPS5 that only a small proportion of projects (7.2%) have achieved neither broader adoption nor environmental impact (Table 1 and figure 1). This percentage is significantly lower than the percentage of projects with unsatisfactory outcome ratings. On the other hand, also a relatively low percentage (15.5%) of projects scores high on both broader adoption and environmental impact. The great majority of projects score somewhere in between, from various levels of broader adoption initiated and implemented to various levels of achievement in environmental impact. Most projects had some broader adoption initiatives successfully adopted or implemented (42.9%). Thirty percent (30.4%) had broader adoption initiatives initiated or planned but not (yet) successfully adopted, and ten percent (9.5%) had

no significant broader adoption reported. The majority of projects (65.3%) showed the occurrence of positive environmental impact[1].

3. Over-all, International Waters (IW) projects had the highest percentage of projects with successful broader adoption (73%), followed by Climate Change (CC) projects (66%) and then Biodiversity (BD) and Ozone-depleting Substances (ODS) projects (Table 7.3).

4. ODS projects all achieved environmental impact. BD and CC projects, which dominated the cohort, had a similar percentage of projects reporting environmental impact at 70%. Most projects reported that stress on species populations, habitats, soil and water was reduced only at the site, rather than at higher scales. For CC and ODS projects, emission reductions were reported mostly at the scale of their targeted markets. These are based on results reported at the end of the project, when the pathways to impact in many cases are starting up – given the long time horizon of many environmental impacts, as illustrated in figure 2, especially the lower scores on environmental impact are not unexpected. What lies within the possibilities of the time horizon of GEF support are issues of broader adoption, where the analysis shows that improvements can be made.

Table 1 – Extent of broader adoption and environmental impact

Extent of broader adoption	**With environmental impact**	**No environmental Impact**	**TOTAL (n=401)***
Most broader adoption initiatives adopted/ implemented	15.5%	1.7%	**17.2%**
Some broader adoption initiatives adopted/ implemented	30.9%	12.0%	**42.9%**
Some broader adoption initiated	16.7%	13.7%	**30.4%**
No significant broader adoption taking place	2.0%	7.2%	**9.5%**
Total	**65.3%**	**34.7%**	**100%**

*includes only projects for which stress reduction can be expected

Table 2 – Extent of broader adoption across focal areas

Focal Area	**Most or some broader adoption initiatives adopted/ implemented**	**No significant broader adoption or initiated but not adopted***
Biodiversity	59%	40%
Climate change	66%	34%
International waters	73%	27%
Land degradation	29%	71%
Multi-focal area	42%	57%
Ozone-depleting substances	60%	40%
Persistent organic pollutants	11%	88%

*Includes all projects, not just those for which broader adoption is expected. Results for ODS and POPs are presented for information purposes only and are not meant to lead to conclusions due to the small number of projects included in the cohort.

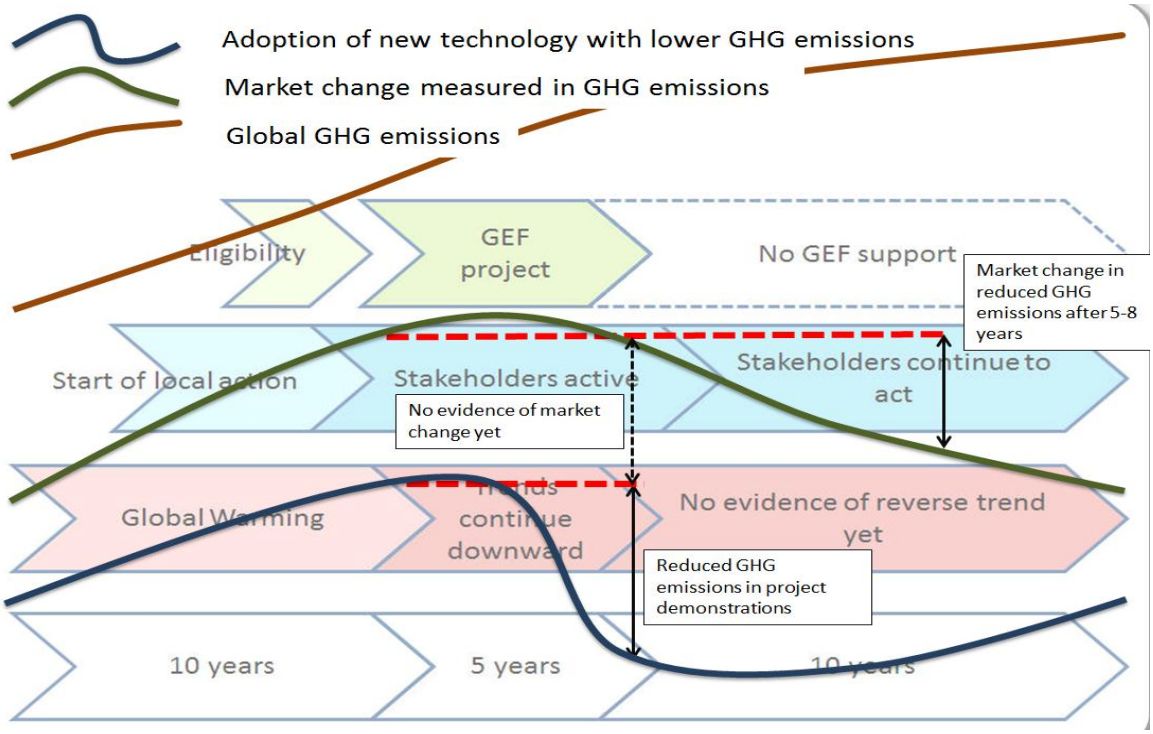
[1] A separate analysis has been made to quantify the environmental impacts reported in terminal evaluations.

Table 3 – Extent of environmental impact across focal areas

Focal Area	Stress reduction only	Improved environmental status	Total % of projects with environmental impact**
Biodiversity	45%	24%	70%
Climate change	71%	NA*	71%
International waters	28%	23%	51%
Land degradation	14%	14%	28%
Multi-focal area	29%	17%	46%
Ozone-depleting substances	100%	NA*	100%
Persistent organic pollutants	13%	0%	13%

*Focal areas dealing with the atmosphere are not expected to report improved environmental status as it is only feasible to measure the reduction of gases released into the atmosphere. **Includes all projects in focal area, not just those for which impact is expected. Results for ODS and POPs projects are presented for information purposes only and are not meant to lead to conclusions regarding these focal areas due to the small number of projects included in the cohort.

Figure 2 – Time dimension explains why impact occurs later than broader adoption



5. Mainstreaming was the most common form of broader adoption, followed by replication then market change. The most commonly adopted types of interventions were laws, policies and regulations (47%), followed by management frameworks and approaches (41%). For broader adoption mechanisms other than mainstreaming, the types of interventions most commonly seeing broader adoption were implementing strategies. For most projects, interventions take place either at site or national level and are broadly adopted at the same scale. For scaling-up and

market change, the most broadly adopted interventions begin at the site and are adopted at the national scale.

6. Typically, laws, policies, regulations, and management frameworks and approaches were found to be broadly adopted mainly by raising the awareness of different stakeholder groups, training them to build their capacities, and then establishing implementing bodies that would then adopt these interventions. These implementing bodies – whether composed of government or community members or both – were also found to act as conflict resolution and trust-building mechanisms. Participatory approaches were specifically found to effectively facilitate the development of management frameworks and their subsequent adoption. High engagement was in many cases found to lead to positive behavioral change, especially when project activities were seen to result in concrete improvements for stakeholders.

7. Climate change projects were distinct in that technologies were the most broadly adopted type of intervention next to policies and regulations. Mainstreaming typically took place because of financial incentives provided by the national government to adopt the technologies. Replication was typically taken on by the private sector as a result of actual data showing that a technology was both cost-effective and profitable. This means that sound monitoring demonstrating the actual benefits of a technology is crucial for the broader adoption of these technologies, as the knowledge about actual benefits is crucial for adaptation.

8. Key contextual factors affecting progress towards impact can be influenced by factors under the control of the projects, mainly by good project design that engages stakeholder support and that incorporates activities that initiate broader adoption processes during the lifetime of the project.

9. Factors affecting the extent of progress towards impact were categorized into two types: project-related and contextual. Table 4 shows the factors that were most commonly cited in terminal evaluations as contributing to or hindering progress (out of a total of 33 factors identified). While the most common factors affecting progress to impact concern conditions and events beyond a project's control, top project-related factors such as good stakeholder engagement and the allocation of resources to catalyze broader adoption during project implementation appear to be important in influencing top contextual factors such as government and other stakeholder support.

Table 4 - Most common factors affecting progress towards impact (n=473)

	Contributing factors	**Hindering factors**
Project-related	*Good engagement of stakeholders (48%)* *Highly relevant technology/approach (36%)* *Broader adoption processes initiated using project resources (39%)*	*Poor project design (38%)* *No activities to sustain project outcomes (25%)*
Contextual	Government support (57%) Previous/current related initiatives (55%) Other stakeholder support (42%)	Other unfavorable political/ policy conditions/ events (40%) Unfavorable economic conditions/ events/ drivers (31%) Lack of government support (26%)

*Text in italics refer to factors that were found to be more commonly present, depending on a project's extent of broader adoption

10. An analysis of factors more commonly present in more successful versus less successful projects shows that a significantly higher percentage of projects that were less successful in broader adoption cited inappropriate or irrelevant technologies, lack of activities to sustain project outcomes, and poor project design as hindering progress toward impact. On the other hand, good engagement of stakeholders, relevant technologies and/or approaches, and broader adoption processes initiated using project resources were cited more frequently among more successful projects. This indicates that much of the success in broader adoption is within GEF's control, especially at the project design stage.

11. Further testing of these factors using Qualitative Comparative Analysis (QCA) showed that when broader adoption processes were initiated by the project, support from other stakeholders was present, and project design was not poor, there was 88% likelihood that the project also had adoption or implementation of some or most broader adoption initiatives. Further analysis also showed that 59% of successful cases were explained by either the combination of broader adoption processes initiated by the project and the existence of previous or current initiatives that were related to project objectives or, in the absence of these two factors, the combination of strong government support and good engagement of stakeholders, as long as project design was not poor. Conversely, a separate analysis showed that the combination of no broader adoption processes initiated, no support from other stakeholders, poor project design and a lack of government support had 89% likelihood that the project was also not successful in broader adoption.

12. This confirms the initial analysis that progress towards impact could potentially be significantly improved by including design elements in projects and interventions that focus on involvement of government and other stakeholders and initiating broader adoption processes using project resources; a finding triangulated with country level evidence, for example in the OECS evaluation. More specifically, it is also important that in the design stage, projects involve stakeholders to verify assumptions about stakeholder needs, priorities and capacities at different scales, so that appropriate approaches are used with each group or country, and that objectives are not overly ambitious. Risks such as staff turnover and changes in government priorities (as also found in country level evaluations) must be considered from the beginning to enable the project to implement measures that will prevent or at least mitigate these risks from affecting project outcomes. Examples of such measures are activities that build partnerships and foster trust among stakeholder groups, implementation structures that align with or build on existing institutional frameworks at each scale, and approaches that consider the unique cultural and historical characteristics of each stakeholder group.

13. A comparison of the extent of broader adoption against the amount of GEF grant allocated at CEO endorsement[2] showed that there was no significant difference between the number of more successful and less successful projects that had received grants of less than US$ 10 million. This suggests that within the typical ranges of project funding, successful broader adoption depends more on the implementation of activities facilitating this process rather than on the amount of funds allocated to the project. However, only 8 of the 49 projects (16%) receiving

[2] This amount includes the project preparation grant, as project design was found to be an important factor affecting the extent of broader adoption.

grants of US$ 10 million and above were not successful in achieving broader adoption (Table 5), indicating that projects with grants of US$ 10 million and above tend to be more successful. A greater percentage of successful projects that had this level of funding reported strong government support compared to those with lower levels of funding. There was no apparent relationship between the type of broader adoption mechanisms at play and grant amounts. Grant amount was also not found to be a factor affecting the quality of project design. No significant difference was seen in the extent of broader adoption across projects implemented in different geographical regions or across the income level of countries. As expected, due to the nature of the interventions, global projects had significantly fewer projects successfully achieving broader adoption.

Table 5 – GEF grant amounts compared with number of projects achieving successful broader adoption

GEF Grant Amount	More successful broader adoption	Less successful broader adoption	% Less successful projects
US$ 1 M and below	104	105	50%
Between US$ 1M and US$ 5M	69	44	39%
Between US$5 M and US$ 10 M	63	39	38%
US$ 10 M and above	41	8	16%*

*significantly different

14. The strategic considerations for the GEF focus on shifting attention to impact drivers and to global environmental benefits are crucial. These shifts are important and will potentially increase impact of the GEF, but they need to be executed and implemented through interventions that apply a well-balanced mix of activities aimed to incorporate promoting factors of broader adoption, so that negative contextual factors can be better mitigated or even overcome.

15. The portfolio of completed projects of the GEF includes many experiences with the hindering and contributing factors towards broader adoption and progress toward impact. The GEF should learn from these experiences and use them to improve project design in future programs and strategies of the GEF. The new emphasis on knowledge management and learning opens up an opportunity in this regard. A community of practice and/or learning platform could be established of practitioners in GEF Agencies, countries, project implementation and in the Secretariat, STAP and the Evaluation Office that could exchange lessons learned and inform future design of GEF interventions, focusing on further strengthening of broader adoption approaches.

Biodiversity

16. Of 227 completed biodiversity projects 70% (158 projects) showed environmental impacts; 50% (114 projects) achieved environmental stress reduction, and an additional 20% (45 projects) also resulted in improved environmental status. Biodiversity projects reported environmental impacts mostly in the form of improved habitats at the site level (33%, 76 projects), but 11% (26 projects) also reported impacts at a landscape scale. Environmental impacts include establishment of protected areas, improvement of protected area management systems, reduced pressure from modified land use practices, and increase in species populations. The proportion of Biodiversity projects that demonstrated environmental impact is highest of all focal areas.

17. In Biodiversity projects, the most commonly reported mechanism for broader adoption by far was mainstreaming. The most prevalent types of interventions mainstreamed in Biodiversity projects were laws, policies and regulations (48%, 108 projects), management frameworks (41%, 92 projects), and processes for participation and conflict resolution (27%, 61 projects). The mechanisms of market change, replication and scaling-up also contributed to the broader adoption of interventions in the projects in this focal area, but in a smaller number of projects. Management frameworks were the intervention most often replicated (14%, 32 projects) and scaled up (8%, 19 projects). Scaling-up typically occurred from the site to the national scale.

Text box 1: Project 2396, "Dryland Livestock Wildlife Environment Interface Project" (DLWEIP), implemented by UNEP in Kenya and Burkina Faso, provides an example of a biodiversity project that demonstrates mainstreaming management frameworks at local, national and regional scales. At the local community level, the concept of livestock/wildlife interface management has been embraced, thanks to awareness-raising campaigns, capacity-building activities, and demonstration of the benefits to livelihoods and biodiversity conservation. Communities have set aside conservation and drought refuge areas. On a national scale, governments in Kenya and Burkina Faso have established ministerial task forces to oversee the integrated management of natural resources of the livestock/wildlife environment interface and the integration of range rehabilitation activities in annual work plans. At the regional level, the African Ministers of Environment have begun discussing livestock/wildlife interface issues, and have learned from the experiences of this project. As a result of these interventions, there has been reduced environmental stress at multiple sites.
Contributing factors for the DLWEIP project include government support, good engagement of stakeholders, and alignment of project objectives with previous and current related initiatives. Both Kenya and Burkina Faso are signatories to the UNCCD and the CBDTP, and also have in place the National Biodiversity Strategic Action Programmes (NBSAP) and the National Action Programme to Combat Desertification (UNCCD). DLWEIP project activities and outputs complement these processes, so country support and ownership of this project was significant. The communities expressed readiness to proceed with the implementation of good practices, using their own resources and also leveraging financial and non-financial resources from willing partners and the government.

Climate Change

18. Of the 113 completed climate change projects reviewed, 77% (87 projects) provide evidence of reducing greenhouse gas (GHG) emissions, including carbon dioxide (CO_2). Stress reduction was typically achieved through implementation of measures that improve energy efficiency, increase the share of renewable energy, or through changing the dominant modes of transportation towards less fossil fuel intensive ones.

19. Only 10% (11 projects) report no significant broader adoption. Sixty-six percent (75 projects) had some broader adoption initiatives adopted or implemented. Similar to other focal areas, mainstreaming was reported to have been the most common mechanism of broader adoption within the Climate Change focal area, followed by replication. The interventions most often successfully mainstreamed were policy, legislative and/or regulatory measures. Forty-nine projects have successfully introduced these interventions and hence have contributed to developing an enabling institutional framework that ought to lead to the eventual reduction of

GHGs. Thirteen projects have successfully mainstreamed mechanisms for financing and promotion of energy efficiency and renewable energy. Most successful of these were lease-purchase agreements, Energy Efficiency Funds, and, less frequently, Energy Service Companies (ESCOs), such as Croatia's HEP ESCO. Despite these successes the general pattern shows significant challenges when it comes to broader adoption of financial mechanisms.

20. Technologies and infrastructures introduced by climate change projects were the most common type of intervention replicated, in 14 projects. Projects that were highly relevant to the stakeholders and that successfully demonstrated the applicability, effectiveness and feasibility of a particular technology led to replication. Those technologies that were profitable and cost-effective were also commonly replicated. Profitability appears to be a strong pre-requisite for wider adoption of a technology as it enables the stakeholders, especially in the private sector, to consider energy efficiency not solely as a social responsibility issue but also as a viable business model.

21. Projects achieving scaling-up and market change were not common. Since most of the data for the analysis was sourced either at the end of the project or in the short period following project completion, these findings are not surprising. Despite this, the available data indicate that technologies and infrastructure appear to be the most common instruments scaled up or leading to market change in Climate Change projects. These projects typically introduced measures that led to improved industrial processes or products. The recent climate change mitigation impact evaluation focused on market change, and analyzed 18 projects in China, India, Mexico and Russia that had been completed between 1997 and 2012. This evaluation, presented to the Council at its November 2013 meeting, found that projects demonstrating high progress toward impact (with some showing progress years after the project had ended) are those that have adopted comprehensive approaches to address market barriers and specifically targeted supportive policy frameworks.

Text Box 2: Through the UNDP project 445 "Barrier Removal for the Widespread Commercialization of Energy Efficient CFC-Free Refrigerators", China aimed to reduce GHG emissions by transforming the household refrigerator market through a shift towards the production and use of more energy efficient models. The project introduced new models of household refrigerators that had higher energy efficiency. In addition to focusing on removing technical barriers the project also worked on removing regulatory barriers to adoption of the higher energy-efficient refrigerators. On the demand side, the project assisted with implementing a consumer campaign, including introducing appliance standards, labeling, and information campaign, aimed at behavior change to entice consumers to purchase these more energy efficient refrigerator models.
With the project's help, two companies invested in designing more energy efficient refrigerator/ freezer models that have subsequently become mainstream top-sellers, and, as such, were highly profitable products for these companies. The incentive of high profit, along with these manufacturers' plans to increase exports, ensured the continued production of energy-efficient refrigerators. The share of energy-efficient refrigerators as a percentage of total production has increased from 10% in 1999 to 80-90% in 2009, exports of energy efficient refrigerators have grown, and the market for refrigerators became dominated by units meeting the highest two grade specifications for energy efficiency.

Further, the project resulted in a 29% drop in average energy intensity of new refrigerators sold between the Project's inception in 1999 and its end in 2005. The use of more efficient refrigerators resulted in the savings of about 11 million tons of CO2 emissions by 2005, and 42 million tons of CO2 emission savings by 2010. Thus, this project has demonstrated how a combination of several factors: successful technology push and market pull; a well-designed public information campaign through certification and labeling; financial incentives and profitable products could lead to environmental stress reduction and towards significant market transformation.

International Waters

22. Out of the 48 completed international waters projects in this study, 40% (19 projects) reported environmental stress reduction, and 58% (28 projects) also reported improved environmental status. Environmental impact was most often seen at the site level, where projects reduced fishing pressure, reduced nutrient pollution from innovative water treatment plants, increased mangrove and coral reef cover, replenished water supply from improved water use management, and established management capacities in marine protected areas. At least 8% (4 projects) reported environmental impact in multiple sites, most frequently reducing stress on species, habitats, and to a lesser extent, water quality. Only 4% (2 projects) reported environmental impact on the scale of the seascape, through reduced stress on species.

23. The most common mechanism for broader adoption in these International Waters projects was mainstreaming. By far, the most common type of intervention that was mainstreamed was the broader adoption of laws, policies and regulations, present in 35% (17 projects). Other types of interventions commonly mainstreamed are management frameworks and approaches (29%, 14 projects), management systems (27%, 13 projects), government structures (25%, 12 projects), and finally, processes for participation and trust building/conflict resolution (23%, 11 projects).

24. The mechanisms of market change, replication and scaling-up also contribute to the broader adoption of interventions in the projects in this focal area, but in a smaller number of projects. The type of intervention most often replicated was management frameworks (8%, 4 projects). Management frameworks and government structures were the interventions most often scaled up (each with 4%, 2 projects). The factors that were cited by the greatest number of International Waters projects as contributing to successful broader adoption are good coordination with previous or current initiatives related to the project, good engagement by the project of stakeholders, and government support at both national and local scales.

Text box 3: The World Bank implemented project 974, "Environmental Protection and Sustainable Development of the Guarani Aquifer System (GAS) Project", successfully mainstreamed key recurring interventions. The project produced technical manuals to standardize procedures among the four countries involved in the use and management of the aquifer. These manuals have been widely disseminated and are adopted and used throughout the region. The improved scientific, technical and institutional/legal information in turn facilitated the development of a Strategic Action Plan that lays out future management regimes for the aquifer, including cooperation strategies, and financing of implementation activities. One of the project member countries, Brazil, mainstreamed the lessons from the GEF-funded project into its own "National Integrated Water Resources Management Plan", which included a chapter on

groundwater for the first time. All project countries modified or adopted new water regulations, decrees and laws that recognized the importance of sustainable water use, and included guidelines on well design, domestic and industrial water supply, and aquifer zoning. Contributing factors that enabled the Guarani Aquifer Project's success include government support, and good engagement of stakeholders by the project. The project had strong official support from the four participating countries, as well as several civil society organizations. Brazil identified the aquifer and its management as important for the country in terms of providing or potentially providing water for domestic and industrial purposes to more than 500 municipalities in eight states. The four project countries were under pressure to demonstrate to their citizens that the involvement of international institutions in the project would not affect their sovereignty over the Aquifer, thus there was strong motivation to remain engaged throughout the project. The Terminal Evaluation also indicates that the project was exemplary in its design of participation mechanisms that allowed for the involvement of learning institutions, NGOs, civil society organizations, public institutions and the public at large in all phases of the project including consultation, implementation of project activities and representation in local management.

Other Focal Areas and Multi-Focal Area Support

25. 54 completed Multi-focal projects, 17 Land Degradation projects, 9 Persistent Organic Pollutant projects, and 5 Ozone Depletion projects were reviewed. All four groups reported some extent of environmental impact. Two Land Degradation and 2 Multi-focal area projects reported improved environmental status. Two Persistent Organic Pollutant projects, 3 Land Degradation projects, and all 5 Ozone Depletion projects reported reduced environmental stress. There is a wide difference between the scale and types of environmental impact reported for each focal area due to the nature of the activities of each focal area. Multi-focal area projects are more likely to report a variety of environmental impacts. Given the small number of projects in Persistent Organic Pollutants and Ozone depletion it is premature to draw any focal area-specific conclusions at this time.

26. Land Degradation projects report improved habitat and land quality at the level of specific sites. Multi-focal area projects report improved habitat, land quality, water quality, species, and greenhouse gas emissions at multiple sites and at landscape level.

27. Mainstreaming of laws, policies and regulations was reported in 6 out of 17 Land Degradation projects. To a lesser extent, mainstreaming was also reported for processes of participation and trust-building, management approaches, technologies and infrastructure, and financial instruments: each of these interventions was reported in 2 projects. Land Degradation projects reported broader adoption of technologies and infrastructure: 4 reported replication of technologies, 2 reported mainstreaming of technologies, and 1 reported scaling-up of technologies.

28. Among 54 Multifocal projects, mainstreaming was the most commonly reported mechanism of broader adoption. Most often mainstreamed were laws, policies and regulations (14 projects), processes of participation and trust-building (11 projects), government structures and management frameworks (10 projects each). Replication was also an important mechanism for broader adoption: 6 projects reported replication of management frameworks, and 2 replicated technologies and infrastructure. The two most common types of interventions in these multi-focal area projects were laws, policies and regulations, and management frameworks.

29. In all four groups the most frequent mechanisms for broader adoption was mainstreaming, and the interventions focused on laws, policies and regulations. For Land Degradation, Persistent Organic Pollutants and Multi-focal area projects, replication was also frequently reported. Scaling-up and market change were the least commonly reported mechanisms. For Multifocal, Ozone Depletion, and Persistent Organic Pollutant projects, government structures were frequently reported. For Multifocal, Ozone Depletion and Land Degradation projects, technologies and infrastructures were frequently reported. The factors most often cited by Multi-focal area projects as contributing to successful broader adoption are highly relevant technology or approach, project-initiated broader adoption processes, and a context in which there were previous or current related initiatives.

30. For Land Degradation projects, mainstreaming of laws and regulations usually involve community-based management plans, or the development of National Action Plans. Mainstreaming typically involves the incorporation of sustainable land management methods/framework into local planning processes, national strategies and legislation. Site visits and study tours that supporting mainstreaming are also common features of projects in this focal area. Limited replication of technologies or infrastructures often occurs in communities and municipalities neighboring the project sites.

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