



Independent Evaluation Office
of the Global Environment Facility

Evaluation Findings

Highlights

2018–21

April 2021

Contents

- 1** Introduction1
- 2** Performance, sustainability, and scale-up of GEF interventions. . .5
- 3** Focal area impacts.13
- 4** GEF modalities.25
- 5** GEF support to countries43
- 6** GEF support to innovation.59
- 7** The GEF’s engagement with the private sector69
- 8** The institutional framework of the GEF: policies and systems . . .79
- 9** The GEF’s comparative advantage in building a greener future . .95
- Annex: OPS7 approach paper103

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1 Introduction

This report is a first presentation by the Independent Evaluation Office (IEO) of the Global Environment Facility (GEF) of the main findings of the evaluations that underpin the Seventh Comprehensive Evaluation of the GEF (OPS7), prepared to inform negotiations for the eighth replenishment of the GEF. The present report includes key findings from completed and ongoing IEO evaluations. The full OPS7 report will be made available for the second replenishment meeting in September 2021.

The GEF-8 replenishment takes place at a time when the world is facing multiple challenges. Climate change impacts are already felt in terms of increasing weather anomalies, and awareness of the risks is at an all-time high—while effective solutions to address climate change are still needed. At the same time, ecosystem destruction, deforestation, and biodiversity loss continue unabated; and there is a pollution and waste crisis that receives much less attention but has severe effects on the environment and human health. Overuse of natural resources and environmental degradation have direct bearing on people's well-being and food security, as both terrestrial and marine ecosystems are stressed.

The COVID-19 pandemic that has defined 2020–21 is primarily seen as a health crisis with serious social and economic impacts, but it is driven by the overuse and abuse of the natural environment—demonstrating how ecosystem health and human health are inextricably intertwined.

Continued poverty and worsening inequality around the world are themselves closely linked with the environmental crises and therefore are of direct relevance to the GEF's mandate. In this context, OPS7 aims to contribute to how the GEF can most effectively support countries in moving toward a green future.

Consistent with previous overall performance studies (OPSs) and the GEF Instrument, the aim of OPS7 is to assess the extent to which the GEF is achieving its objectives as established by the GEF Instrument, in reviews by the GEF Assembly, and as developed and adopted by the GEF Council in operational policies and programs for GEF-financed activities, with a view to identifying areas for potential improvement going forward. The Council-approved approach paper for OPS7 is included in the [annex](#) to this report.

In all, 34 evaluations have been conducted over the OPS7 period: 20 are completed (box 1.1), and 14 are ongoing (box 1.2). This report presents key findings from all of the completed evaluations that have been presented to the GEF Council and preliminary findings from most of the ongoing evaluations.¹ The status of each individual

¹ Not all of these evaluations are delineated separately in the following pages. Notably, evidence from the [Evaluation of Health Co-Benefits of GEF Interventions in Chemicals and Waste](#) and [An Evaluative Approach to Assessing GEF's Additionality](#) is drawn upon, but the details of these evaluations are not summarized here. We also draw on the findings of the special report [Lessons for COVID-19 from GEF IEO Evaluations](#).

BOX 1.1 Completed evaluations (2018–21)

1. Evaluation of Health Co-Benefits of GEF Interventions in Chemicals and Waste
2. Lessons for COVID-19 from GEF IEO Evaluations
3. Evaluation of GEF Support in Fragile and Conflict-Affected Situations
4. Least Developed Countries Strategic Country Cluster Evaluation
5. Strategic Country Cluster Evaluation: Sahel and Sudan-Guinea Savanna Biomes
6. Strategic Country Cluster Evaluation: Small Island Developing States
7. Evaluation of GEF Interventions in International Waters: Freshwater and Fisheries
8. Evaluation of GEF Interventions in the Artisanal and Small-Scale Gold Mining Sector
9. Review of the GEF Terminal Evaluation Validation Process
10. Evaluation of the GEF-UNIDO Global Cleantech Innovation Programme
11. Evaluation of GEF Support to Scaling Up Impact
12. Evaluation of the GEF Country Support Program
13. Third Joint GEF-UNDP Evaluation of the Small Grants Programme
14. Evaluation of the Role of Medium-Size Projects in the GEF partnership
15. Evaluation of GEF Support to Mainstreaming Biodiversity
16. Evaluation of Knowledge Management in the GEF
17. Value for Money Analysis of GEF Interventions in Support of Sustainable Forest Management
18. An Evaluative Approach to Assessing GEF's Additionality
19. *Program Evaluation of the Least Developed Countries Fund*
20. Annual Performance Report 2020: GEF Support to Sustainable Transport

BOX 1.2 Ongoing evaluations (2018–21)

1. Evaluation of GEF Engagement with Micro, Small, and Medium Enterprises
2. Evaluation of Institutional Policies and Engagement at the GEF
3. Evaluation of GEF Support to High GEF Recipient Countries
4. Comparative Advantage and Governance of the GEF
5. A Formative Evaluation of the GEF Integrated Approach to Address the Drivers of Environmental Degradation
6. Results-Based Management and Portal and Results Architecture
7. *Evaluation of GEF Support to Sustainable Forest Management and REDD+*
8. *Climate Change Resilience Mainstreaming*
9. *Evaluation of the GEF Wildlife Program*
10. Evaluation of the Nongrant Instrument
11. Agency Self-Evaluation Systems
12. Innovation in the GEF
13. Evaluation of GEF Enabling Activities
14. *Program Evaluation of the Special Climate Change Fund*

evaluation (completed or ongoing) is provided throughout the report, and the findings are clearly labeled as either “key” or “preliminary.” All findings presented in this report, regardless of status, have been discussed with GEF management.

OPS7 THEMES AND EMPHASES

OPS7 is assessing the GEF's progress on implementation and achievement of the GEF 2020 Strategy against the objectives of greater integration, innovation, scaling up, and achieving impacts with greater efficiency. A significant thematic area

of focus is GEF support in **promoting environmental outcomes and sustainability in countries**, captured in the strategic country cluster evaluations of least developed countries, Africa's Sahel and Sudan-Guinea Savanna biomes, and small island developing states; and GEF performance in fragile states. The GEF's role in supporting countries through various mechanisms such as the **Small Grants Programme**, the **medium-size project modality**, and the **Country Support Program** are addressed. The GEF realizes that to achieve results at scale requires strong partnerships, particularly with the private sector. The GEF's role in supporting **micro, small, and medium enterprises** as well as early-stage start-ups—which together constitute most of the private sector in GEF client countries—is assessed.

In addition to the above, this report includes an assessment of **institutional issues**, including the implementation of GEF policies related to gender; safeguards, engagement with stakeholders, civil society, the private sector, and indigenous peoples; as well as institutional processes, including **results-based management** and **knowledge management**.

Focal area studies on climate change, biodiversity, international waters, and chemicals and waste are ongoing. Evaluations on the GEF **high-recipient countries**, **resilience**, and the **enabling activity modality**, are similarly ongoing, as is an update on the **GEF wildlife program**. Some preliminary findings from these are noted here; the full findings, conclusions, and recommendations will be included in the September 2021 OPS7 report.

APPROACH AND METHODS

Key evaluation parameters—such as relevance, impact, performance, and the catalytic role of the GEF—that were investigated in earlier OPSs are now a part of the regular work program of the IEO and addressed in all component OPS7 evaluations. Every component evaluation adopts a mixed-methods approach utilizing quantitative and qualitative data sources as appropriate. These methods include desk research, portfolio analysis, surveys, interviews, and geospatial analyses. Since OPS6, the IEO has also explored the factors affecting the sustainability of GEF interventions and focused on the innovation and additionality of the GEF.

OPS7 will draw on evaluation evidence accumulated by the IEO during the period 2018–21. It will also draw on completed evaluations undertaken by other independent evaluation offices of GEF Agencies during the OPS7 period.

In light of the travel restrictions imposed by the global pandemic, OPS7 and some of the ongoing evaluations significantly draw on on-line data gathering efforts, geospatial analysis, and data collected during previous field missions. Thirty-two missions were carried out for the evaluations included in OPS7. The IEO has also worked closely with local consultants to assist with field work. The overall aim is to distill evidence from a variety of sources to provide insights into the role the GEF has played—and could potentially play—within governments and in GEF Agencies in supporting the environmental agenda.

2 Performance, sustainability, and scale-up of GEF interventions

This section presents an analysis of the performance and sustainability of Global Environment Facility (GEF) projects based on terminal evaluations. Postcompletion evaluation reports based on field verifications—conducted at least two years or more after project completion—were reviewed for 62 completed projects. We also include findings and lessons from an evaluation on the GEF’s experience in scaling up impacts, which is an important element of the GEF Strategy and a mechanism for achieving broader adoption.

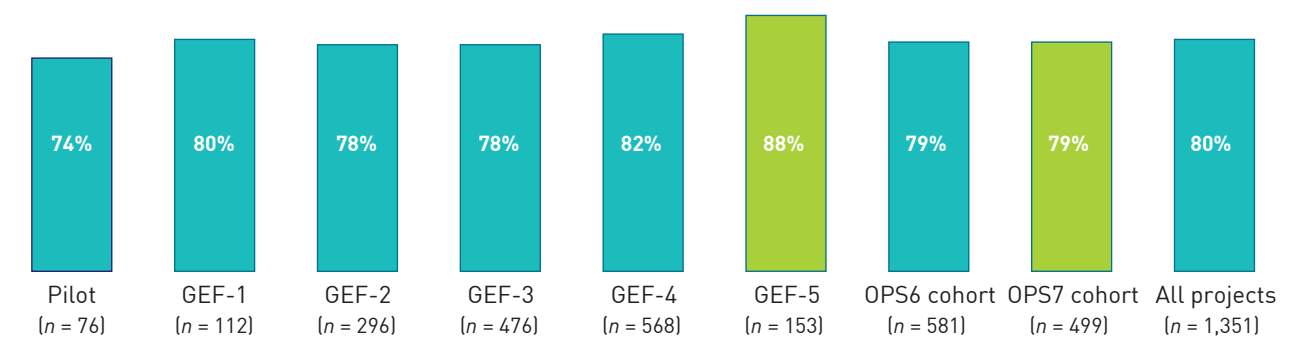
OUTCOMES AND SUSTAINABILITY AT COMPLETION

Eighty percent of GEF projects have satisfactory outcomes. The outcome rating assesses

the extent to which a completed project achieved the outcomes expected at implementation completion. Cumulatively, 80 percent of all the rated projects, which account for 78 percent of GEF grants, are rated in the satisfactory range for outcomes. Seventy-nine percent of the projects of the Seventh Comprehensive Evaluation of the GEF (OPS7) cohort were rated in the satisfactory range for outcomes, which is similar to the results for the OPS6 cohort. Analysis based on the replenishment period of project approval shows that, to date, 88 percent of completed projects from the GEF-5 replenishment period are in the satisfactory range; note, however, that a significant number of the projects from this period are still under implementation (figure 2.1).

Project sustainability ratings have improved over time. The sustainability rating estimates the extent to which a project’s outcomes are durable

FIGURE 2.1 Percentage of projects with outcomes rated in the satisfactory range by replenishment period



SOURCE: APR2020 data set.

NOTE: Data for GEF-5 and the OPS7 cohort are incomplete. Complete data for OPS7 will be available in June 2021.

and the project is likely to achieve its expected long-term impact. Cumulatively, 62 percent of the completed projects are rated in the likely range for sustainability (figure 2.2). Sixty-four percent of the completed projects of the OPS7 cohort were rated in the likely range for sustainability, which is similar to the 63 percent for the OPS6 cohort. Replenishment period-based analysis gives a clearer picture. It shows that projects that were approved in GEF-4 and GEF-5 have higher sustainability ratings than those approved in the preceding periods. This indicates an improvement over time in the likelihood of sustainability for completed projects.

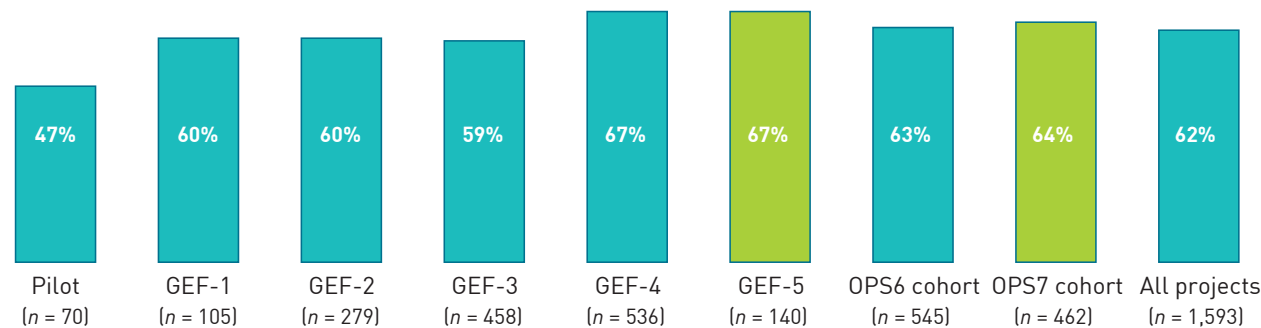
POSTCOMPLETION SUSTAINABILITY

Projects that are assessed as likely to be sustainable at implementation completion are observed to be actually sustainable during the postcompletion period. At project completion, assessment of sustainability is based on a future outlook of sustainability, as sufficient time has not elapsed to provide evidence. The long-term continuation of project benefits and progress need

to be assessed at least a few years after implementation completion to assess actual project sustainability. Independent postcompletion evaluation reports—based on field verifications conducted at least two years or more after project completion—were reviewed for 62 completed projects. These verifications were conducted through December 2019. The results of this review show that projects that were projected as likely to be sustainable did in fact generally sustain during the postcompletion period (table 2.1). For the vast majority of projects analyzed, risks to the sustainability outlook at closure remain the same or improve from the point of implementation completion to the postcompletion assessment (table 2.2). These results were also confirmed in the strategic country cluster evaluations reported on in section 5.

Country context, quality of implementation, and quality of execution affect likelihood of sustainability. This finding from the postcompletion review confirms the OPS6 finding and is consistent with findings from the strategic country cluster evaluations. The review found factors such as stakeholder and/or beneficiary buy-in, political support including adoption of

FIGURE 2.2 Percentage of projects with sustainability of outcomes rated in the likely range by replenishment period



SOURCE: APR2020 data set.

NOTE: Data for GEF-5 and the OPS7 cohort are incomplete. Complete data for OPS7 will be available in June 2021.

TABLE 2.1 Sustainability ratings at implementation completion versus postcompletion

		Observed sustainability at postcompletion evaluation					
		Sustainable range		Unsustainable range		Total	
		%	No.	%	No.	%	No.
Projected sustainability at implementation completion	Likely to be sustainable	60	37	15	9	74	46
	Unlikely to be sustainable	11	7	10	6	21	13
	Not rated	3	2	2	1	5	3
	Total	74	46	26	16	100	62

SOURCE: GEF IEO APR2020 data set; review of postcompletion evaluations.

TABLE 2.2 Change in sustainability outlook of completed projects

		Change in likelihood of sustainability at postcompletion versus completion									
		Higher		Same		Lower		Unable to assess		Total	
		%	No.	%	No.	%	No.	%	No.	%	No.
Projected sustainability at project completion	Likely range	13	8	37	23	13	8	11	7	74	46
	Unlikely range	5	3	11	7	2	1	3	2	21	13
	Not rated	0	0	3	2	0	0	2	1	5	3
	Total	18	11	52	32	15	9	16	10	100	62

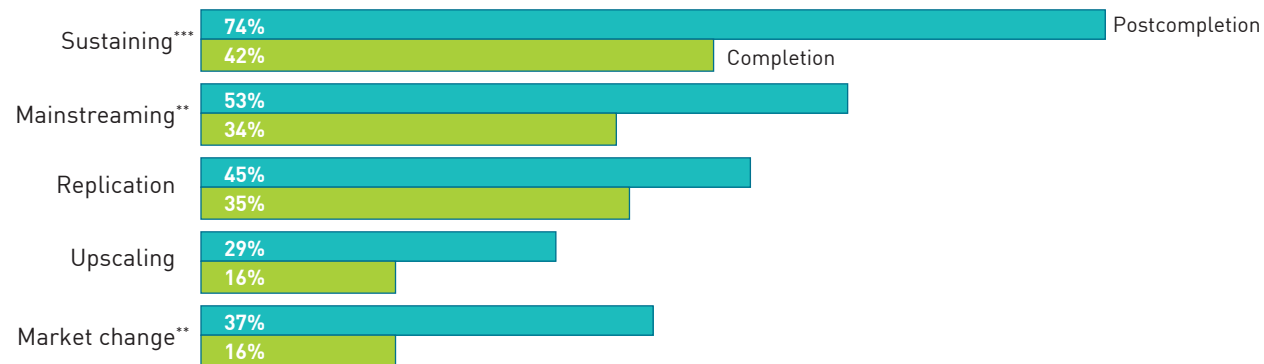
SOURCE: GEF IEO APR2020 data set; review of postcompletion evaluations.

complementary legal and regulatory measures, financial support for follow-up, and sustained efforts by the executing agency to be important determinants of sustainability. The review also found a statistically significant correlation between materialized cofinancing and the quality of monitoring and evaluation (M&E) design (which is a proxy for project design) and the likelihood of sustainability ratings. A comparison by region shows that projects in Africa have an overall lower likelihood of sustainability than projects in other regions. These sustainability ratings in Africa show nominal—but not statistically significant—improvement across the replenishment periods. Improvement in the sustainability ratings of projects in Asia and of global projects is more pronounced and statistically significant.

Greater incidence of broader adoption processes is reported at postcompletion than at implementation completion. Figure 2.3 compares reported incidence of broader adoption processes in postcompletion evaluation reports and in terminal evaluations. The comparison shows that incidence of broader adoption processes such as sustaining, mainstreaming, and market change was higher at postcompletion than at implementation completion. The mechanism of scaling-up and the factors affecting scaling-up are presented [later in this section](#).

Increase in broader adoption is reported in a greater number of project activities at postcompletion. The review showed a statistically significant increase in the percentages of projects for which activities related to the broader adoption

FIGURE 2.3 Incidence of broader adoption processes in projects at implementation completion and postcompletion: percentage of projects



SOURCE: Review of postcompletion evaluations.

NOTE: $n = 62$. Confidence levels: ** = 95 percent; *** = 99 percent.

of technology dissemination, governance arrangements (including development of legal and policy measures), and management approaches (including development of management plans and strategies) at postcompletion (table 2.3).

IMPLEMENTATION AND EXECUTION

Of the completed projects of the OPS7 cohort, 84 percent were rated in the satisfactory range for implementation and 80 percent for execution. The quality of the implementation rating is

based on an assessment of the performance of the GEF Agency. It reflects the extent to which the GEF Agency has performed its role satisfactorily in project identification and preparation, start-up, supervision, application of GEF policies and procedures, and project M&E. It also reflects the extent to which the GEF Agency took timely corrective actions when gaps in project design and implementation were found. Figure 2.4 presents trends across the replenishment periods during which projects were approved. Improvement in implementation ratings is noted for the GEF-4 and GEF-5 replenishment periods.

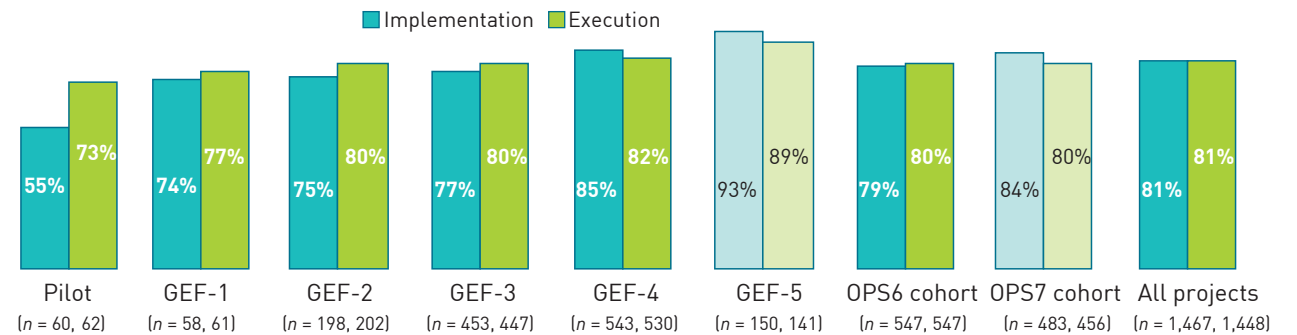
TABLE 2.3 Broader adoption processes and the elements adopted: percentage of projects

	Sustaining		Mainstreaming		Replication		Upscaling		Market change	
	PC	C	PC	C	PC	C	PC	C	PC	C
Technology dissemination	27**	8**	5	5	27*	11**	11	3	31**	11**
Governance arrangements	39**	18**	44***	16***	3	2	10	10	16	6
Management approaches	40***	15***	5	6	11	10	10	5	3	0
Institutional capacities	39	31	16	8	23	13	13	3	11	3

SOURCE: Review of postcompletion evaluations.

NOTE: $n = 62$. C = project completion; PC = postcompletion. Confidence levels: * = 90 percent; ** = 95 percent; *** = 99 percent.

FIGURE 2.4 Projects with implementation/execution quality rated in the satisfactory range by GEF replenishment period



SOURCE: APR2020 data set.

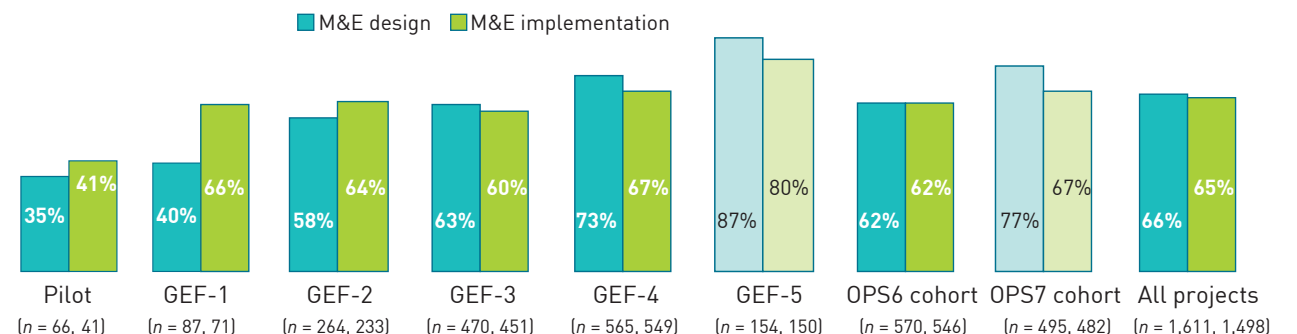
NOTE: Data for GEF-5 and the OPS7 cohort are incomplete. Complete data for OPS7 will be available in June 2021.

Executing agencies are responsible for execution of project activities on the ground under the supervision of the GEF Agency. This involves activities such as execution of project design, procurement, stakeholder consultations, and project monitoring. Project execution is assessed to be in the satisfactory range for 80 percent of the projects of the OPS7 cohort. Cumulatively, project execution is assessed to be satisfactory for 81 percent of projects (figure 2.4). Overall, based on the replenishment period in which projects are approved, there is an improving trend in the execution rating.

MONITORING AND EVALUATION

There is an improving trend in the quality of M&E design and its implementation (figure 2.5). Project monitoring involves the design and implementation of an M&E plan to track implementation progress and results. GEF Agencies include an M&E plan in the project design and implement this plan during project implementation. An M&E plan is expected to specify indicators to track processes and results, responsibilities, frequency of data collection, reporting

FIGURE 2.5 Projects with M&E design/implementation rated in the satisfactory range by GEF replenishment period



SOURCE: APR2020 data set.

NOTE: Data for GEF-5 and the OPS7 cohort are incomplete. Complete data for OPS7 will be available in June 2021.

procedures, and budget for monitoring activities. Where required, an M&E plan may need to be updated/modified during implementation. Quality of M&E design and implementation are rated to reflect the extent to which an M&E plan was well designed and well implemented. Sixty-six percent of the projects were rated in the satisfactory range for quality of M&E design. Sixty-five percent of the projects were rated in the satisfactory range for M&E implementation. Overall, there is an improving trend.

COFINANCING

The average materialized cofinancing is 125 percent of the amount promised at project start; in 66 percent of projects, at least 90 percent of the promised cofinancing materialized. Data on materialized cofinancing are available for 1,430 projects (table 2.4). The data show that, on average, the realized financing is higher than the promised amount. In 66 percent of the projects, at least 90 percent of the promised cofinancing

materialized; for 16 percent, less than half of the promised cofinancing materializes. The OPS7 cohort performance is broadly in the same range as the average—although for a higher percentage of its projects, less than half of the promised cofinancing materialized.

SCALE-UP

Evaluation of GEF Support to Scaling Up Impact

STATUS: Presented to Council
REPORT: <https://www.gefio.org/evaluations/scaling>

This evaluation draws on previous GEF experience in scaling-up to better understand the processes through which scale-up occurs and the conditions under which it is effectively achieved.

Scaling-up is an increase in the magnitude of global environmental benefits and/or expansion of geographical and sectoral areas covered by global

TABLE 2.4 Cofinancing materialized

Period/cohort	n	Cofinancing promised	Cofinancing materialized	Materialization ratio	< 90% materialization	> 50% materialization
		per \$ of GEF grant (\$)			% of projects	
Pilot	59	6.80	6.54	0.96	67	16
GEF-1	93	2.86	2.34	0.82	55	17
GEF-2	253	4.91	5.83	1.19	71	11
GEF-3	408	4.59	5.59	1.21	67	16
GEF-4	492	6.53	10.02	1.54	64	19
GEF-5	120	5.96	5.86	0.98	68	19
GEF-6	5	8.94	9.27	1.04	80	0
OPS6 cohort	476	5.82	7.78	1.34	65	16
OPS7 cohort	427	6.91	8.66	1.25	60	23
All projects	1,430	5.18	6.49	1.25	66	16

SOURCE: APR 2020 data set.
NOTE: n = projects for which full data are reported.

environmental benefits, such as within a specific market or other system. Scaling-up takes place through the following mechanisms:

- **Replication** refers to implementing the same intervention multiple times, thereby increasing the number of stakeholders and/or covering larger areas, usually by leveraging finance, knowledge, and/or policy.
- **Mainstreaming** involves integrating an intervention within an institution’s regular operations, usually through a policy or law. While mainstreaming typically occurs within a specific national or local government agency, it may also occur simultaneously through multiple government agencies or in other institutions, such as donors, civil society organizations, or private companies.
- **Linking** is the implementation of multiple types of interventions that, by design, all contribute to the same impact at the scale of a system defined by environmental, economic, or administrative boundaries. Among the systems mentioned were landscape, seascape, ecoregion, value chain, and national government.

KEY FINDINGS

Key factors influencing the scaling-up process cluster around three key actions: adoption of the intervention, sustained support for scaling activities, and learning for adaptability and cost-effectiveness.

For impact to be scaled up, the relevant stakeholders must first want to implement interventions that generate impact. Factors that contribute to stakeholder willingness to adopt interventions cluster into two types: those that

develop a sense of ownership for the intervention, and those that make the benefits of adopting the intervention clear and salient.

For the relevant stakeholders to implement interventions that generate impact, supporting institutions must sustain the enabling conditions for implementation. All successful cases received some form of support for longer than one project cycle, mainly from their respective governments. This evaluation and other research has found that, in general, sustained support of 10–20 years is necessary for scaling-up to take place.

Three factors emerged as important in ensuring long-term support for scaling-up processes. These are (1) becoming a political priority, (2) gaining the support of political and economic influencers, and (3) working through existing long-term structures. All of these factors may be influenced by a program’s appropriate choices of people and institutions to work with, and through participatory processes and knowledge dissemination.

For scaling-up processes to be sustained, supporting institutions have to learn from systematic feedback that will allow them to adapt the scaling-up process to changing contexts and make it more cost-effective. Systematic learning mechanisms usually took the form of knowledge exchange networks and regular multistakeholder meetings.

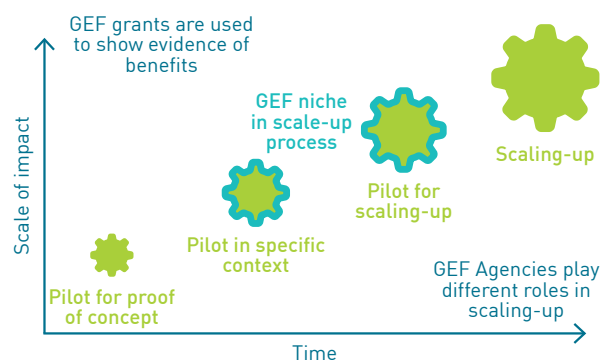
MAIN CONCLUSIONS

- The GEF’s focus on scaling is more explicit than in many other international development institutions. But like other institutions, the GEF’s vision for scaling-up is not consistently

clear in operational guidance across its portfolio.

- The GEF uses multiple modes—replication, mainstreaming, and linking—to scale up interventions that generate global environmental benefits, drawing on the comparative advantages of GEF partners.

FIGURE 2.6 GEF comparative advantage in scaling



- The GEF's own comparative advantage lies in supporting pilots that demonstrate positive benefits and establishing enabling conditions for scale-up (figure 2.6). These strengths attract support from other actors that then provide funding for full scale-up.
- The extent of GEF support to scale-up and the rate at which outcomes are scaled vary by focal area, but typically take place over more than five years and generate higher outcomes per GEF dollar per year during the scaling-up stage. Indicators used between the pilot and scale-up stages were not always consistent, limiting the ability to track progress.
- The GEF has contributed to postproject continuation of scaled-up activities by catalyzing sustainable financing sources and strengthening institutional capacities. Political and economic changes pose risks to long-term sustainability of scaling-up activities.

3 Focal area impacts

This section delves deeper into a single theme in each focal area and Sustainable Forest Management (SFM), presenting examples of impacts of Global Environment Facility (GEF) interventions. In biodiversity, the focus is on biodiversity mainstreaming, in climate change we present an analysis of the GEF's interventions in the transport sector; in the chemicals and waste focal area, we present the findings of the artisanal and small-scale gold mining (ASGM) program; and in international waters, we discuss the GEF's interventions in the fisheries sector. In SFM, we present the findings from a value for money analysis of GEF interventions in SFM. The evolution and adaptation of the respective strategies over time and key portfolio findings will be presented in the OPS7 report in September 2021. The focal area studies were carried out over a two-year period; consequently, the analysis is based on data available at the time.

BIODIVERSITY

Evaluation of GEF Support to Mainstreaming Biodiversity

STATUS: Presented to Council

REPORT: <https://www.gefio.org/evaluations/biodiversity-mainstreaming-2018>

This evaluation assessed the relevance, performance, effectiveness, results, and additionality of GEF-supported biodiversity mainstreaming

interventions and identified good practices and challenges.

The GEF has been instrumental in supporting national policy reform and planning frameworks that promote biodiversity considerations across sectors and territories. The GEF's biodiversity mainstreaming portfolio has played a significant role in supporting implementation of the global Convention on Biological Diversity and its member countries. GEF-supported projects include components and activities to address threats to biodiversity and/or mitigate adverse effects on biodiversity of global importance. Projects adopt diverse approaches such as the extension of landscape management practices, agroforestry, and sustainable production systems, and biological connectivity linking vulnerable forests to protected areas. Implementation strategies are integrative and multitiered. The GEF's theory of change for mainstreaming biodiversity provides a sound conceptual basis for their design and evaluation. The current monitoring and evaluation (M&E) framework for GEF biodiversity projects does not appear to focus sufficiently on quantitative measures and outcomes and impacts, or on capturing socioeconomic co-benefits which are important since mainstreaming projects often entail balancing trade-offs between socioeconomic benefits and environmental impacts.

Most of the GEF projects in this portfolio have successfully elevated biodiversity conservation to targeted sectors, institutions, policies, and

territories with globally significant biodiversity.

A smaller number of projects and national partners are successfully accelerating biodiversity mainstreaming across sectors, institutions, and territories. There are fewer cases of accelerated mainstreaming, by which mainstreaming processes gain in scale and momentum and begin to affect systemic levels. The acceleration of mainstreaming to a broader range and scale involves incremental processes that build over time and exceed most projects' lifespan. External factors that fall outside most projects' influence—such as national partners' capacity and commitment, governance cycles and political context, resource availability, and competing sector priorities— affect mainstreaming. As a result, many projects may require continuity into successive cycles to accelerate mainstreaming processes that enable expected outcomes. Practices such as silvo-pastoralism promoted by GEF-supported biodiversity mainstreaming projects are being significantly upscaled for biodiversity conservation.

While the challenges are primarily determined by specific national or landscape contexts, successful mainstreaming is ultimately influenced by the interaction of economic and environmental interests, institutional monitoring and enforcement capacities, and communications and outreach capabilities. Other positive features that facilitate mainstreaming include preconditions such as well-developed policy and regulatory frameworks for biodiversity conservation, recognized and capable scientific research institutions and expertise, and a favorable political environment. Mainstreaming efforts are more successful when there are strong government champions who cut across organizational silos.

The progress achieved in mainstreaming biodiversity is directly influenced by intervening

factors that are *directly related* to the project's implementation performance—efficiency, timely output delivery, monitoring, and adaptive management—and to those *external* to the immediate project context—national capacities and institutional commitment, governance cycles, political and policy context. The implementation of several mainstreaming projects in the three countries analyzed—India, South Africa and Colombia—was negatively affected by late approvals and start-up, recruitment delays, and low partner capabilities and responsiveness.

The GEF biodiversity mainstreaming portfolio has contributed to legal, environmental, regulatory, governance, and socioeconomic additionalities going beyond incremental cost benefits. These include innovative approaches based on multi-stakeholder partnerships that link grassroots organizations to regional research institutions, advocacy platforms, and national environmental authorities. Landscape management practices are validated on the ground and elevated to influence national policy and legislative-regulatory reforms. Several projects have contributed to landmark biodiversity legislation; transformed core institutional/sector practices; and resulted in measurable conservation impacts in forest cover, pasture, and other biodiversity indicators.

CLIMATE CHANGE

GEF Support to Sustainable Transport

STATUS: Presented to Council

REPORT: <https://www.gefio.org/evaluations/apr-2019-transportation>

Global demand for transportation is expected to increase substantially because of increases in

population, affluence, and urban sprawl. Developing and transitional economies, where most of these changes are taking place, need to update their transport infrastructure to meet this demand. The GEF has cumulatively provided \$501 million, along with \$8.4 billion in partner cofinancing, through 80 projects to support sustainable transport in its recipient countries. The GEF Independent Evaluation Office (IEO) conducted an evaluation to assess the extent to which the GEF support for sustainable transport is well targeted and effective. The evaluation covers 80 sustainable transport projects that were approved from GEF-2 to GEF-6 period, including 33 completed projects approved from GEF-2 to GEF-4.

Most GEF sustainable transport projects address aspects related to urban and transport planning.

GEF-supported integrated land use and transport planning activities facilitated transit-oriented development in cities such as Mexico City and Changsha, China. However, in Dushanbe, Tajikistan, and Tianjin, China, these efforts were less successful. This was because these projects were either not aligned with the vision of local decision makers or had not adequately addressed policy and regulatory barriers. Experience from projects that include traffic demand management-related activities shows that such activities are likely to be successful when they do not involve trade-offs or make some groups worse off. Where trade-offs are involved, commitment from political leadership and broader public support are important.

The GEF has facilitated the transformation of markets for fuel cell and electric/hybrid-based mobility technologies.

Early GEF experience in promoting fuel cell bus technologies in Brazil and China found that the technologies were too expensive to be viable. They were introduced before they were ready for commercialization,

and development was slower than expected. With time, fuel cell technologies matured and became more cost-effective. Building on the foundations laid by GEF projects, China is now commercializing these technologies with—and without—GEF support. The GEF support to electric/hybrid technologies helped these technologies develop faster. In China, these have found considerable traction among manufacturers and city governments. Learning from these experiences—and to tap into emerging opportunities—the GEF is focusing on frontier technologies, especially on providing support for the electrification of transport. The GEF is now supporting large-scale adoption of these technologies and linking the electrification of transport with the renewable energy grid to reduce the carbon footprint. The Global Program to Support the Shift to Electric Mobility, with over \$50 million in GEF funding and \$650 million in cofinancing, is a major GEF-7 initiative to achieve these outcomes.

GEF support has been instrumental in the development of bus rapid transit (BRT) systems in several major cities.

Of the 33 completed projects, 17 focused on establishing and/or improving the efficiency of BRT. GEF support to BRT systems and BRT-style upgrades has generally focused on technical assistance and planning, such as the development of feasibility studies, origin-destination surveys, and environmental impact studies for BRT corridors. GEF funding has also been used for capacity building; updating the legal, policy, and regulatory framework; and knowledge management. GEF financing helped lay the groundwork for BRT systems in several major cities including Mexico City, Mexico; and Dar-es-Salaam, Tanzania. Dissemination activities combined with demonstrations have facilitated replication in several other cities. For example, GEF support to the Lima Urban Transport project

funded feasibility studies for implementation and optimization of future BRT corridors in Peru, which have since been implemented.

GEF support for nonmotorized transport has generally been implemented satisfactorily, but tracking of environmental results is poor among these projects. Twenty completed projects have promoted nonmotorized transport. The supported activities include construction and/or repair of bike lanes and walkways, spaces for bike parking, demonstration of the bike-share business model, awareness campaigns, and preparation of a nonmotorized transport plan. The GEF generally avoids financing civil works. Although the incremental environmental benefit rationale provided for GEF funding for construction and repair of bike lanes and walkways was generally sound, the IEO evaluation found some instances where the logic was not clear. In most instances, these activities were implemented effectively. However, tracking of environmental results is limited, and it is difficult to assess the extent to which these activities contributed to low-carbon transport.

Overall performance of the sustainable transport portfolio is in the same range as other GEF projects. Sustainable transport projects in the large emerging economies are more likely to be rated in the satisfactory range (92 percent) compared to other recipient countries (50 percent). The projects where outcomes were rated in the unsatisfactory range faced challenges such as high turnover of project personnel, poor coordination, challenges in procurement, insufficient government commitment/ownership, and low capacity of executing agencies. In large emerging economies, procurement-related delays tended to be more common. The cofinancing ratio for sustainable transport projects is \$19 per dollar of GEF grant; this is higher than for other projects in the GEF portfolio.

Performance in meeting GHG abatement targets is generally lower than expected at project start.

For the 20 projects analyzed, the aggregate estimated GHG emissions abatement was 11.0 million tons of carbon dioxide equivalent (Mt CO₂e), which is lower than the 92.9 Mt CO₂e expected at project start. Eight projects (40 percent) met at least 80 percent of their target. The average cost of GHG emissions abatement is \$11.50, with a median of \$12.70 per Mt CO₂e.

During implementation, sustainable transport projects often face difficulties in procurement and coordination. Sixty-eight percent of completed sustainable transport have satisfactory ratings for quality of implementation, compared to 82 percent for the overall GEF portfolio. Information from terminal evaluations and respondents indicates that sustainable transport projects require coordination among multiple agencies and face procurement-related difficulties.

M&E is generally weak in sustainable transport projects. Fewer than half of completed sustainable transport projects have satisfactory quality of M&E design and M&E implementation, compared to 70 percent or higher for other climate change mitigation projects and 67 percent for the GEF portfolio overall. Less than half the projects specify indicators to track GHG emissions abatement and/or fuel savings. Designing a robust M&E plan and specifying appropriate indicators for sustainable transport projects is a challenge because GEF support is often concentrated in activities focused on capacity development; update of legal, policy, and regulatory frameworks; and knowledge management. Moreover, for legal, policy, and regulatory contributions, impacts are difficult to track within the project time frame.

CHEMICALS AND WASTE

Evaluation of GEF Interventions in the Artisanal and Small-Scale Gold Mining Sector

STATUS: Presented to Council

REPORT: <https://www.gefio.org/evaluations/gold>

BACKGROUND AND RATIONALE

The GEF began to implement projects to combat ASGM environmental issues as early as GEF-2 in 2002 with the Global Mercury Project, greatly increasing awareness of growing mercury use in the sector. In GEF-5, the GEF began funding the sector in earnest, with a series of projects implemented by the United Nations Industrial Development Organization that piloted nonmercury technologies for gold extraction. With the formulation of the Minamata Convention on Mercury in 2013, the GEF was included in the official financial mechanism for the convention, leading it to significantly ramp up ASGM funding. The GEF designed the planetGOLD program in GEF-6, a nine-country program with a global “hub” project to provide coordination, outreach, and knowledge management. Additionally, many enabling activities fund Minamata initial assessments and ASGM national action plans, helping countries meet their convention requirements. A follow-on GOLD+ program is being designed to include another eight countries.

To better understand the sustainability and lessons learned of completed ASGM projects and the design of the planetGOLD program, the IEO conducted case studies of GEF’s interventions in Burkina Faso–Senegal, Ecuador–Peru, and the Philippines.

KEY FINDINGS

During implementation, all three countries had some success in reducing mercury use in their project areas. The projects in Peru and the Philippines also saw some success in creating the groundwork for miner formalization by creating and supporting miners’ associations. In all countries, GEF projects achieved success in encouraging governments to prioritize mercury use reductions in ASGM.

Mercury use reductions were mostly sustained or continued to drop since project completion. In Ecuador, mercury use continues on a downward trend, although the replacement technology, cyanidation, is also a contaminant if not properly disposed of. Cyanide is also popular in the Philippines, where mercury use reductions were more sustainable in areas with more notable government presence and stricter enforcement of mercury use. In West Africa, the installed processing plants were still in partial use, although miners had returned to using mercury for some processes when they lacked replacement supplies or maintenance expertise for project-supported machinery. Formalization had increased substantially in the Philippines and Peru since project completion, where it seems the projects—although not achieving miner formalization during implementation—served as catalysts for future success. Additionally, all the case study countries have ratified the Minamata Convention, showing their commitment to mercury reduction.

The GOLD program represented a significant scaling-up of GEF investment in ASGM, with over \$50 million in GEF Trust Fund funding and over \$180 million in cofinancing; in comparison, the average GEF-5 project accounted for only about \$1 million in GEF Trust Fund funding and

\$2–3 million in cofinancing. The program also signified a shift in strategy within the GEF. Early projects found a major issue in introducing non-mercury technology to miners—since they were mostly operating informally, they had little access to formal markets. This extended to financing. Banks and other formal lenders shied away from working with miners who often had no land tenure or in some cases formal permission to mine. Without financing, miners could not afford new, cleaner technologies that required upfront investment. GOLD responded by investing heavily in access to financing and markets, which makes up the largest component of the program. At the country level, projects are training lenders to work with miners and designing sector-specific financial mechanisms. The hub project is building bridges with downstream actors in the supply chain, including private refiners, to purchase responsibly produced gold from project sites.

The GOLD program’s components were widely seen as relevant and covering the most important areas requiring attention in the sector.

Beyond financing, the program addresses formalization, introduction of nonmercury technology, and knowledge management and outreach. The program aims to reduce over 350 tons of mercury, although only one-third of reductions will come directly from project implementation; the rest is intended to result from spreading knowledge to nonproject sites in GOLD countries and non-GOLD countries after project completion. It is unclear though how the GEF would monitor or attribute such reductions.

The focus on mercury reduction has led the program to be highly relevant to the Minamata Convention. However, it also means GEF ASGM projects do not have a significant focus on other environmental issues related to ASGM. Only the

Guyana child project addresses ASGM-related deforestation by encouraging landscape management plans. None of the projects assist with long-term sediment monitoring or working with ASGM-related fishery or watershed management issues directly. The program developed the planetGOLD criteria, which address environmental and social safeguards, but issues such as child labor and conflicts between ASG miners and indigenous peoples are not focuses of the projects.

INTERNATIONAL WATERS

Evaluation of GEF Interventions in International Waters: Freshwater and Fisheries

STATUS: Presented to Council

REPORT: <https://www.gefio.org/evaluations/iw-study-2020>

BACKGROUND AND RATIONALE

Improving marine and freshwater fisheries management and promoting sustainable fishing practices has been one of the priorities in the international waters focal area of the GEF since its first phase. This study is an in-depth analysis covering all projects and programs that explicitly address marine and freshwater fisheries.

The fisheries portfolio is dominated by investments in large marine ecosystems (LMEs) (59 percent), with total funding of more than \$411.8 million, followed by fisheries projects and programs in the areas beyond national jurisdiction (ABNJ) (12 percent). Investment in freshwater fisheries is the lowest (3 percent), with \$21.2 million for 3 projects in Caspian Sea, Lake Edward

and Lake Albert. Regional and global projects comprise 79 percent of the fisheries portfolio. Of the four regions, Asia has the highest number of fisheries projects, while Africa has the largest GEF grant amount. Most fisheries projects (73 percent, equivalent to 72 percent of total GEF grant amount) are implemented by the World Bank, UNDP and FAO.

KEY FINDINGS

GEF international waters approaches to fisheries seek to regulate how fishing is done and not to merely limit the amount of various species that can be caught. Different types of approaches have

been identified in the fisheries portfolio over the GEF-1 to GEF-7 period. In the early GEF phases, fisheries projects mainly focused on specific fisheries management interventions that target input control (limit access to fish stocks) and technical measures (e.g., minimum mesh size for nets, by-catch reduction devices). During GEF-4, while GEF support to input control and technical measures continued, fisheries management gradually shifted from focusing on ecosystem science to incorporating economic development and human behavior change. It has manifested as a widening scope of fisheries management interventions that integrate participatory management, fisher incentives and livelihood diversification into an ecosystem approach to fisheries management. Moving on to GEF-5 and GEF-6, more attention has been given to marine spatial planning, and improved monitoring and surveillance practices. The emerging interventions in promoting sustainable value chains for marine commodities indicate GEF’s efforts in engaging the private sector in fisheries management, which contribute to sustainable resource utilization and equitable social and economic development.

The overall main achievements of the GEF international waters fisheries portfolio as noted in available terminal evaluations are (1) it is responding effectively to the challenge of over-exploitation of marine fishery resources, with special focus on LMEs at the highest risk level when assessed for risk factors related to fish and fisheries, pollution, ecosystem health, and human development; (2) it is aligned with global and regional agreements as well as national priorities; (3) it has led to stress reduction on fishery resources and improved management of marine habitats. Table 3.1 highlights examples of environmental stresses reduced by GEF-supported projects.

In the Pacific small island developing states (SIDS), GEF investment has helped 12 SIDS restructure national legislations to include obligations associated with becoming a party to the Western and Central Pacific Fisheries Convention, which is the first major new international fisheries management arrangement established under the United Nations Fish Stocks Agreement. The ongoing GEF investment is providing continuous support to 14 Pacific SIDS to address substantial lags in implementing agreed regional and sub-regional arrangements (i.e., Nauru Agreement), so that the countries can apply ecosystem-based management measures in accordance with revised national laws and fisheries policies.

To better facilitate results reporting, the GEF adopted a new results framework and set a corporate-level target of bringing 20 percent of globally overexploited fisheries to more sustainable levels in GEF-6. In the ongoing fisheries projects in GEF-6, 9 of 11 stand-alone projects, and four child projects under three programs, together aim to bring 16 percent of overexploited fisheries to sustainable levels.

TABLE 3.1 Types of stresses reduced by GEF-supported fisheries projects

Type of stress	Description of outcome achievements
Illegal fishing activities	<p>Sierra Leone (GEF ID 3558, GEF-3): 16 arrests of illegal fishing were recorded due to increased sea patrols using existing equipment. GEF project-funded anti-illegal, unreported, and unregulated fishing efforts were associated with increased yields for coastal communities; e.g., large fishing communities such as Tombo reported a 42 percent increase in catch.</p> <p>Liberia (GEF ID 3558, GEF-3): Surveillance operations were enhanced through sea and aerial patrols and a satellite-based fishing vessel monitoring system. The indicator on the rate of illegal fishing gradually dropped from 83 percent at baseline in 2009 to 30 percent in 2016.</p> <p>Tanzania (GEF ID 2101, GEF-3): Communities’ participation in patrolling activities led to better tracking and reducing illegal fishing activities: 134 illegal activities were reported in the mainland and 75 in Zanzibar.</p>
By-catch	<p>Global (GEF ID 884, GEF-2): Project reduced the number of juvenile commercial species, non-target fish and nonfish species caught by shrimp trawlers. With experimental by-catch rate reduction of >40% (Iran, the Philippines) and up to 60% (Mexico), the stress reduction can be substantial, at least in the pilot areas.</p> <p>The Philippines (GEF ID 3619, GEF-4): Trawl fishers who installed juvenile and trash fish-excluder devices experienced an improvement in catch rates and in the quality of catches, which attests to the positive environmental impacts of adopting more responsible trawling practices.</p>
Fishing capacity	<p>Senegal (GEF ID 3314, GEF-3): With support from the GEF project, the co-management initiatives that were used to create and allocate the right to manage targeted fisheries have been successful in reducing overfishing at the four pilot sites.</p> <p>Sudan and Egypt (GEF ID 3809, GEF-4): At project end, 600 fishers are using the specified mesh size and 500 fishers are observing closed season, equal to 200% and 250% of targets, respectively. As a result, species with high commercial value, upon which the communities depend economically, can now spawn in safe zones and young fish are protected from catch, allowing the stock to grow.</p>
Other economic development activities	<p>Indonesia (GEF ID 3188, GEF-4): Reduced the area of uncontrolled sand mining and established four seagrass sanctuaries.</p> <p>China (GEF ID 3309, GEF-4): Piloted environmentally friendly activities (silvo-fishery) to reduce impact on the wetlands brought by traditional aquaculture practices.</p>

Source: Terminal evaluations.

The GEF’s additionality in promoting sustainable fisheries is observed in its promoting trans-boundary ecosystem-based governance in LMEs and ABNJ. This includes knowledge generation, building institutional capacities for informed decision making, and the involvement of a broad range of stakeholders. The fisheries portfolio is dominated by investments in the LMEs—applying the transboundary diagnostic analysis–strategic action program (TDA-SAP) methodology—which accounts for 59 percent of the total GEF grants

in fisheries portfolio. GEF-funded fisheries projects have covered 20 LMEs and the Pacific Ocean Warm Pool, and the support is expanding to cover more areas. In ABNJ, the GEF-funded Global Sustainable Fisheries Management and Biodiversity Conservation in the Areas Beyond National Jurisdiction program has been working to improve public understanding of ecosystem threats and services related to ABNJ and to strengthen global capacity for effective management in ABNJ.

Sustainable financing arrangements have been explored with some success. Fisheries projects have supported suitable economic instruments that can be used to generate financial support after project completion, including government contribution through institutional budget, establishing public-private partnerships, collecting user fees, establishing trust funds/endowment funds, and issuing blue bonds.

Most of the ongoing fisheries projects have put in place conditions to sustain project benefits through engaging the private sector. For example, the GEF-6 Coastal Fisheries Initiative Challenge Fund project has been providing technical assistance to small-scale fisheries businesses to develop investable projects, covering Indonesia, West Africa (Cabo Verde, Côte d’Ivoire, and Senegal), and Latin America (Ecuador and Peru). In the Seychelles, the world’s first sovereign blue bond was launched in 2018 with the support of the GEF and the World Bank. The blue bond raised \$15 million from international investors to support sustainable fisheries. The supply chain approach has been adopted in fisheries projects to harness market support to develop sustainable value chains. Based on terminal evaluation findings, the engagement with the private sector at the local level is however limited in GEF-funded fisheries projects.

Funding allocated to freshwater fisheries has been limited and the lowest in the fisheries portfolio, and accounts for 3 percent of the total investments in fisheries. Two freshwater fisheries projects in the Caspian Sea in GEF-3 and GEF-4 contributed to the implementation of the Tehran Convention. The freshwater fisheries project in GEF-5 has been working on integrated fisheries and water resources management in Lake Edward and Lake Albert. There are no

freshwater fisheries projects in GEF-6 and GEF-7. GEF investments in freshwater lakes and rivers, such as Lake Victoria and the Danube River, have included actions on improving freshwater fisheries management and the conservation of aquatic biodiversity.

Greater attention is needed to sustainable aquaculture. Emphasis so far has been placed on the improvement of wild fisheries management, the introduction of less damaging fishing practices and technologies, and protecting marine biodiversity in the most vulnerable ecosystems. While the present approaches—based on the assumption that wild fisheries can be managed sustainably—are clearly having short-term positive impacts, a long-term vision and strategy would be beneficial. Significant wild fisheries have collapsed or are in danger of collapsing due to overfishing and pollution. Overall, production from the world’s wild fisheries has leveled out and may be starting to decline—in contrast to farmed fisheries and mariculture, which are growing in importance and are technological in nature. To be more effective within this context, the focal area could explore expanding its scope to include substantial support for enhancing the sustainability of aquaculture and in defining an overall long-term strategy to ensure coherence in its approaches to fisheries.

SUSTAINABLE FOREST MANAGEMENT

Value for Money Analysis of GEF Interventions in Support of Sustainable Forest Management

STATUS: Presented to Council

REPORT: <https://www.gefio.org/evaluations/vfm-2019-forest-management>

BACKGROUND AND RATIONALE

Since its inception, the GEF has provided support to its partner countries to improve the sustainability of their forestry resources. Although SFM is not a focal area, forest-based interventions have been supported through GEF focal area interventions, multifocal projects, Integrated Approach Pilots, and, more recently, designed through the Impact Programs. With a total investment of approximately \$2.8 billion in grants and an additional \$14 billion in cofinancing, SFM interventions have evolved over the GEF phases, with the objective of increasing environmental benefits and delivering socioeconomic co-benefits. The environmental and socioeconomic co-benefits that may accrue from these SFM related investments have not been assessed so far.

In this study, the IEO examines the environmental effectiveness, efficiency and impact of GEF interventions in SFM using satellite-based measurements of nighttime lights intensity over time, and geospatial data on key environmental outcomes. Nighttime light data have been widely used as an indicator for economic development. However, such data might not perform well at a portfolio level. Hence, we combined nighttime lights with surveys for a detailed case study in Uganda to address this limitation.

The analysis was based on 506 SFM projects. Funding for these interventions is mainly drawn from the GEF's biodiversity and multifocal allocations. The multifocal area projects included funding from land degradation.

KEY FINDINGS

The majority of GEF SFM project implementation sites are located in Sub-Saharan Africa, Latin America and the Caribbean, and East Asia.

This trend may not be analogous to funding, as it focuses on identified locations at which projects are implemented. Madagascar, Colombia, and Brazil are the three countries with the largest number of GEF SFM project locations.

GEF SFM projects in Brazil, East Asia and Madagascar were implemented in geographic locations with very high initial conditions of deforestation. GEF projects were not targeted toward areas that might maximize socioeconomic co-benefits, instead giving preference to areas that were more likely to improve environmental outcomes.

The GEF SFM interventions were estimated to have avoided approximately 4,875 km² of deforestation over their respective implementation periods (an average of 2.5 km² per intervention location). Combined with improvements in vegetation density, this project cohort contributed additional sequestered above-ground carbon of 1.33 tonnes/hectare/year, worth \$727,990 annually on average (under a conservative valuation of carbon at \$12.90/MT), compared to locations with no GEF interventions. This estimate is conservative given the fact that not all GEF intervention locations are known, representing only the 1,924 for which more precise geographic information was available. If valuation is extrapolated to

cases for which exact geospatial information was not available, but a known site of implementation exists (3,585 intervention locations), the estimate is \$1.36 million/year, providing a slightly less conservative estimate of impacts. This contrasts to an average implementation cost of \$5.9 million, resulting in a break-even point of 4.5 years if only above-ground biomass is considered in valuation.

Positive impact on socioeconomic benefits. A portfolio level global-scope analysis of economic and social co-benefits of GEF SFM projects suggest a small, positive impact on socioeconomic benefits indicated by nighttime light intensity. It should be noted that a majority of SFM interventions were designed to address multiple focal area objectives (including land degradation and biodiversity), especially after GEF-5. In addition to the carbon sequestered, there is evidence that projects implemented since GEF-5 demonstrated a positive effect on nighttime lights (+0.24), a proxy for economic development, which was not discernible in preceding periods. In the absence of precise geographic information, it is possible that these findings represent an underestimate

of the true impacts across the GEF SFM portfolio since locations without any recorded high precision geographic data in project descriptions are not included.

GEF SFM projects are associated with an increase in household assets. A local-scope case study of Uganda provided more direct estimates of economic impacts, leveraging the World Bank Living Standards Measurement Survey (LSMS) to detect the impact of GEF projects on proximate (within 50 km) households. By matching LSMS locations proximate to GEF interventions to those far away from GEF interventions, the local analysis indicates that GEF SFM projects are associated with an increase in household assets between \$163 and \$353 (within 40–60 km respectively). The Uganda case study shows that households proximate to a GEF implementation site tended to experience improvements in assets approximately \$310 (within 50 km) higher than those not proximate to a GEF implementation site.

4 GEF modalities

Global Environment Facility (GEF) projects and programs are delivered through various modalities. Full-size projects (FSPs, with GEF grant above \$2 million) dominate the portfolio, but GEF projects are also implemented as medium-size projects (MSPs, under \$2 million), or through the Small Grants Programme (SGP) or programmatic approaches, including Integrated Approach Pilots (IAPs) and Impact Programs (IPs). Enabling activities are designed to help countries to fulfill their obligations to the conventions (figures 4.1 and 4.2).

This section presents the findings from Independent Evaluation Office (IEO) evaluations that focus on the formative evaluation of the IAPs and the IPs as well as the role and impacts of the MSP portfolio and the SGP. The MSP and SGP evaluations have been completed and will be presented to the Council in June 2021. Preliminary findings

from the ongoing evaluation of enabling activities and the IAPs/IPs are included and the complete findings for both evaluations will be reflected in OPS7.

INTEGRATED APPROACHES AND IMPACT PROGRAMS

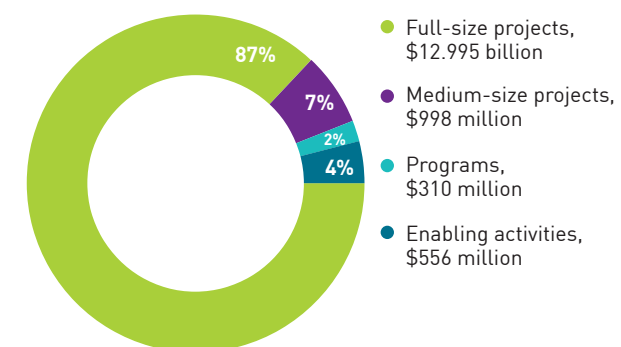
A Formative Evaluation of the GEF Integrated Approach to Address the Drivers of Environmental Degradation

STATUS: Ongoing

REPORT: <https://www.gef.io/evaluations/environmental-degradation>

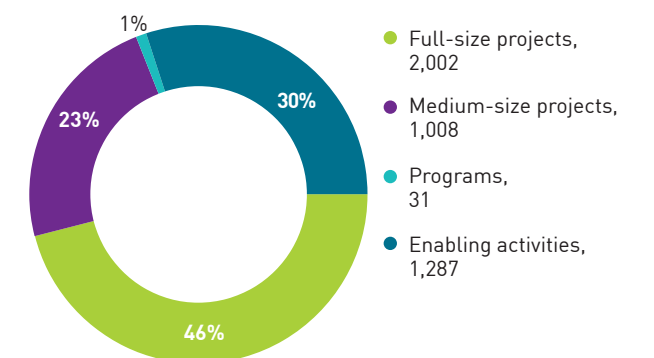
In 2014, the GEF introduced the integrated approach, a major reform aimed at addressing

FIGURE 4.1 GEF grant funding by modality



SOURCE: GEF Portal. Data through June 30, 2020.

FIGURE 4.2 GEF Trust Fund projects by modality



SOURCE: GEF Portal. Data through June 30, 2020.

the main drivers of global environmental degradation. Piloted through three IAPs—one focusing on food security, one on commodities and one on sustainable urban development—these initiatives were reviewed in 2017 by the IEO. The GEF-7 programming documents build on the early lessons generated by the three pilots to roll out the GEF integrated approach through a set of full-scale IPs.

RATIONALE AND BACKGROUND

A considerable share of GEF-7 funding (18 percent) is allocated for five discrete IPs.¹ Building on the Resilient Food Systems (RFS; previously Fostering Sustainability and Resilience for Food Security in Sub-Saharan Africa program) and Good Growth Partnership (GGP; previously the Taking Deforestation out of Commodity Supply Chains program) IAPs, the Food, Land Use and Restoration Impact Program (FOLUR IP) seeks to transform food and land use systems and help countries reconcile competing social, economic, and environmental interests by moving away from unsustainable sectoral approaches. The Sustainable Cities (SC) IP, which builds upon its GEF-6 predecessor, promotes sustainable urbanization to more cities and countries. Three Sustainable Forest Management (SFM) IPs focus GEF support on three specific biomes: the Amazon, the Congo Basin, and selected drylands around the globe.

This formative evaluation assesses the GEF integrated approach applied through GEF-6 IAPs and GEF-7 IPs to address the drivers of environmental degradation. This includes an assessment of IAPs'

¹ Total IP funding from the Council-approved Program Framework Documents (PFDs) is \$705.4 million or 18 percent of total GEF-7 replenishment programming. Thirty-six percent of CEO endorsed funding has been for GEF-7 IP child projects out of the total GEF-7 CEO endorsed projects, from the GEF Data Portal as of 3 February 2021.

early results and lessons in terms of progress toward addressing drivers (based on available midterm review and implementation reports, three country case studies and interviews with GEF Agencies and executing agencies) and how the lessons from these pilots are informing the IPs. The evaluation purpose and objectives translate into key questions related to the relevance and coherence of the design of the GEF integrated approach, and the efficiency and effectiveness of the GEF integrated approach implementation. While the analysis focuses on the GEF integrated approach as a modality, each program is covered in its own merit. Commonalities and unique program features are evidenced through the lenses of main themes addressed across programs from GEF-6 to GEF-7, as described above.

As of this writing, this formative evaluation has concluded data collection and most analyses, and triangulation of findings has been conducted. As gap filling and one country case study are still ongoing, and the report is currently being drafted, the findings and emerging conclusions below should be considered preliminary and subject to further analysis and validation.

PRELIMINARY FINDINGS

In GEF-7, integrated programming to tackle the main drivers of environmental degradation through the IPs continues to address the objectives of multiple conventions, while allowing participating countries to address national environmental priorities and aligning with other donor-supported country initiatives in the environmental sector. The ability of the GEF to address multiple conventions through a single integrated project or program is seen as a significant comparative advantage for the GEF. The GEF-7 IPs are widely perceived to be aligned with

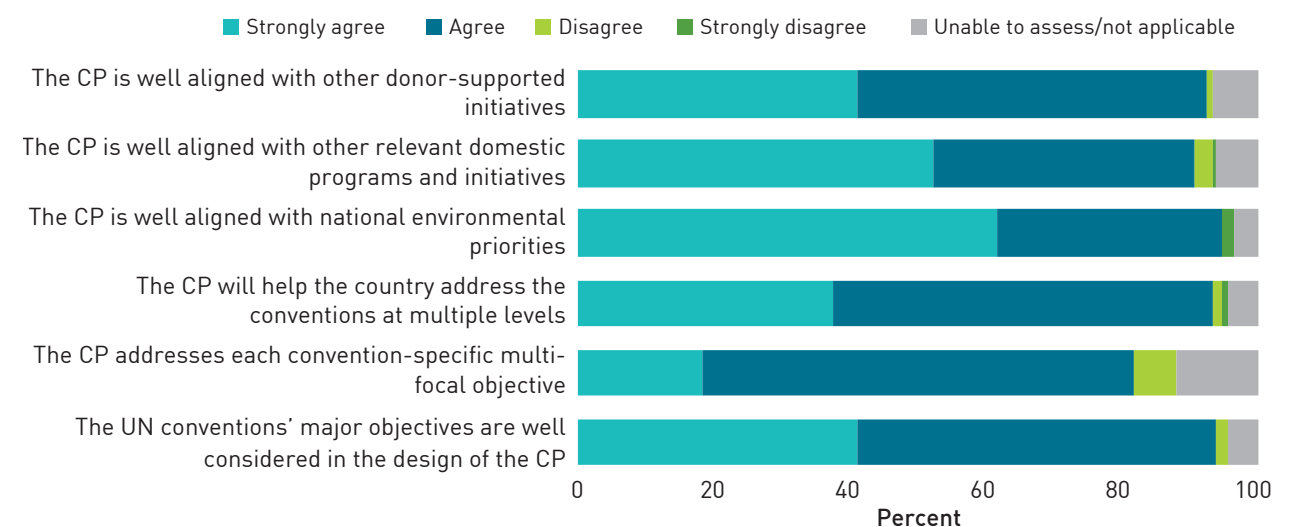
the objectives and guidance of the United Nations Framework Convention on Climate Change (UNFCCC), the Convention on Biological Diversity (CBD), and the United Nations Convention to Combat Desertification (UNCCD). Ninety-four percent of country-level survey respondents agreed that the UN conventions' major objectives are well considered in the design of the child projects (figure 4.3). The quality at entry analysis also showed that all GEF-7 IP child project documents identify the convention objectives which the project aims to address, including frequent mentions of contributions to CBD Aichi Targets and UNCCD land degradation neutrality targets, as well as to UNFCCC nationally determined contribution commitments.

Interviewees also indicated that an integrated approach is especially consistent with the needs and priorities of the CBD and the UNCCD; for the CBD, for instance, the post-2020 global biodiversity framework currently under preparation is expected to take an integrated view. Interviews also confirmed that the GEF integrated approach

has not negatively affected countries' abilities to report to the UN conventions.

However, interviews with the conventions revealed that questions still remain with them around whether the GEF integrated approach, as an increasingly prominent programming modality, will compromise delivery against countries' commitments to the conventions—while recognizing the potential of the IPs to contribute to those commitments. Another point raised is that the integrated approach has not integrated across all the conventions it serves. For example, although the GEF-7 Programming Directions signaled that the IPs would address the objectives of the Stockholm Convention in the Sustainable Cities IP and FOLUR IP, these objectives are not explicitly dealt with in their respective Program Framework Documents (PFDs). Of the 43 IP child projects submitted for or receiving CEO endorsement to date, one project sets a target for a chemicals and waste related core indicator. We note that the PFDs are intended to frame the program in accordance with priorities of the focal areas associated with the specific issues being

FIGURE 4.3 Level of agreement with alignment questions by country-level survey respondents



addressed by the program, and this should be reflected clearly in the PFD. According to the GEF Secretariat's management, the fact that no chemicals and waste funding was allocated does not mean that chemicals and waste priorities will not be addressed in countries. For example, the PFD for SC IP includes explicit references to management of urban wastes, which are major sources of persistent organic pollutants (POPs). The evaluation will further explore this issue in depth.

GEF-7 IP child projects are aligned with national environmental priorities, programs, and initiatives including those of other donors in the environment sector. More than 90 percent of country-level survey respondents agreed that child projects align, as shown in figure 4.3. All country IP child projects demonstrate alignment with the national governments' environmental priorities, as shown in the quality at entry analysis. Countries were willing to allocate significant System for Transparent Allocation of Resources (STAR) funding to the IPs; the fact that countries allocated between 42 and 68 percent of total resources for the IPs from their STAR allocations demonstrates a strong country response to the intent of the GEF to incentivize participation. Although the set-aside incentive funding was a strong incentive for countries to commit STAR resources to the IPs, the primary motivators for country participation were learning and piloting an integrated approach and developing models for replication, upscaling, or mainstreaming, according to survey responses. For the two regional programs in the Amazon and the Congo Basin, countries see an interest in participating because they belong to the same geographical biome and see an opportunity to address common environmental challenges through their existing regional institutions.

Design of the GEF-7 IPs has further evolved from the already coherent design of the GEF-6 IAPs. Program-level theories of change have been more clearly articulated in the GEF-7 IPs, with long-term goals and barriers to scaling and transformational change well described. GEF-7 child projects are coherent with program-level design, as evidenced by the survey, quality at entry analysis, and interviews. Ninety-two percent of country-level survey respondents agreed that there was coherence between child projects and the IP in terms of project design, objectives, and results. The quality at entry analysis shows that each of the IP child projects ($n = 43$) has described how it contributes to the overall program impact by referring to the program-level objectives, components, or expected outcomes.

FOLUR is the largest GEF program working across 28 countries and eight commodities. Interviewees raised concerns about the breadth and multidimensionality of issues dealt with in the program, with potential implications for maintaining coherence, coordination, and focus through implementation.

The coherence of the design of M&E systems—in terms of aggregating results at the program level—has improved the GEF-7 IP design. Issues related to coherence between program and project M&E that were raised in the IEO's 2017 Formative Review have persisted into implementation. All IP child projects include contributions to global environmental benefits core indicators, as well as project level M&E plans and budgets. Responsibilities for program-level monitoring have also been clarified in GEF policies and in the terms of reference for lead Agencies. IAP program and project reporting enables aggregation of outputs and in a few cases also outcomes in annual progress reports, although there is still room for

improvement in terms of linking project and program intermediate results and for monitoring systemic changes toward tackling root causes and drivers. The need to transition to the GEF-7 core indicators midway through the development of program-level results frameworks was a complicating factor to finalizing them; the RFS IAP has taken until 2020 to formulate a comprehensive program-level M&E framework and system. GGP IAP in particular struggled to develop a program-level results framework that demonstrates achievement of systemic change. These challenges also reflect the reality that program-level M&E has not yet been codified in the project cycle, according to the GEF Secretariat. Several interviewees were also concerned about aspirational rather than realistic global environmental benefit outcome targets, and common interpretation and measurement of indicators across programs.

Substantial improvements have been realized in the roll-out of GEF-7 IPs. These include improvements related to clearer selection criteria and processes through calls for expression of interest for country participation, more parallel design of the program and its hub project, and inclusive program design processes that included country stakeholders. The new competitive expression of interest process has demonstrated strong interest among countries to participate in GEF-7 IPs, with only a quarter to a half of the expression of interests accepted to the FOLUR, Drylands, and SC IPs; in the Amazon and Congo IPs, country participation was naturally determined by the biomes. Both regional programs were successful in attracting countries within these bounds (i.e., all six major countries in the Congo Basin and seven of the eight eligible countries in the Amazon,² cov-

ering 92 percent of the basin). About two-thirds of country stakeholders agreed (and just 8 percent disagreed) that the process for selecting IP countries and child projects was transparent. A competitive procurement process was also employed for selection of the lead Agency, although interviewees raised concerns about how the GEF Secretariat's efforts to ensure a major role for city-based organizations—seen as critical for engaging with city leaders and “crowding in” expertise and knowledge that goes beyond GEF Agencies—influenced the lead Agency selection process for SC IP.

The sequencing of design has improved in GEF-7, following a program-to-project logic and with child projects generally designed in parallel with the global/regional coordination “hub” projects. Lead Agencies have facilitated an inclusive design process that adequately involved country stakeholders, according to 77 percent of survey respondents, as well as interviews and documentation of program design processes.

The design of the integrated approach also improved in GEF-7 in terms of an expanded role for the lead Agency. Critically, this role involves program coordination (e.g., monitoring and ensuring coherence among child projects, and facilitating collaborative engagement with partners to advance transformational change) and program integration (e.g., linking child projects to the global/regional coordination project and its knowledge platform, as a space for countries to access innovations, tools, good practices, and technical assistance). GEF-7 IPs recognize that the hub projects are key for success of the integrated approach, and funding allocated for those projects increased from an average of 8 percent of

² Only Venezuela did not participate. French Guiana also shares the Amazon Basin but is not eligible for GEF funding.

total funding for the IAPs to 10 percent for the IPs.³ Importantly, child projects also allocated incentive funds accordingly to benefit from and support that interaction—which was lacking in the IAPs.

In addition to a strong lead Agency role, fewer Agencies are involved per IP, normalized to the number of child projects (table 4.1), which may also help to address the organizational complexity issues raised in the 2017 Formative Review.

IAP knowledge platforms and networks have been effective for sharing best practices and facilitating interaction among child projects. Annual workshops and meetings have been organized by each program (at least until COVID-19) dedicated specifically to knowledge sharing activities. These activities are normally highlighted in Annual Reports or Highlights from the programs, but not in child project PIRs/MTRs. A challenge thus far has been delivering demand-driven information that is tailored to the child projects and country programs. The most effective activities combined platform capacity building with specific activities in the countries, an approach that has been limited in IAPs as few child projects allocated funds for this purpose. When it was done successfully, as in the Malaysia SC IAP child project (GEF ID 9147), where the World Bank team was able to mobilize additional technical expertise through the global

³ Total program funding was calculated at the CEO endorsement stage for IAPs and at the PIF stage for IPs.

TABLE 4.1 Number of child projects and Agencies by program

	IAPs			IPs				
	SC	GGP	RFS	SC	FOLUR	Amazon	Congo	Drylands
Child projects	12	5	13	8	28	8	7	12
Agencies	8	6	7	4	8	8	4	4

project for the preparation of the full-fledged outlook diagnostic report “Pathway to Urban Sustainability,” the benefits of local-to-global collaboration were the strongest. Sequencing was also a challenge, since platforms took significant time to establish themselves and attract broader participation—for RFS, this was partly because of the challenges in operationalizing their multi-agency executing structure. A further challenge was the lack of clarity in terms of the share of responsibility between the global coordination projects and country child projects to cover costs of participation in activities run by the global platforms, and relatedly, insufficient allocation of funds in the country child projects to support participation—as evidenced by the country survey responses, interviews, and program reporting.

Lead Agency annual program reports, MTRs, PIRs and country case studies demonstrate progress toward results, although it is still early to report on global environmental benefits. Only 9 out of the 31 IAP child projects have MTRs so far, with many being delayed due to COVID-19, although most IAP child projects have at least two PIRs to date (a total of 67 PIRs was reviewed). RFS program-level self-reporting for 2020 indicates that nearly 151,000 hectares of previously degraded land have been restored, 1.4 million beneficiaries engaged, almost 161,000 farmers trained in sustainable land management practices, 19 national and 51

subnational multistakeholder platforms established, and nine policies, policy instruments, and regulatory frameworks influenced. Similarly, GGP program-level self-reporting indicates 744,077 million tons of carbon dioxide equivalent emissions avoided, 43,000 hectares of high conservation value land protected, 6,400 farm and other households directly benefiting, 39 policies, policy framework strategies, and action plans supported, and 18 multistakeholder commodity platforms and forums established, enabled, and supported. SC IAP self-reporting focuses on the Global Platform on Sustainable Cities, highlighting mainly program-level outputs in terms of the participation of 28 cities in 11 countries in the platform, 56 events and workshops organized, and 147 knowledge products produced or curated.⁴

Among the IAP child project reporting, about half of projects indicate progress toward achieving concrete environmental outcomes in PIRs/MTRs, a proportion that is also confirmed by country survey responses. Progress is most common for RFS projects (77 percent) and less common among GGP (40 percent) and Sustainable Cities (23 percent) projects. All IAPs support national and regional policy and regulatory outcomes and institutional structures, often in the form of policy dialogue initiatives and multistakeholder mechanisms and platforms, at different levels. Two-thirds of survey respondents reported that child projects are already contributing to strengthening institutions. Few socioeconomic and household resilience outcomes have been reported so far as relatively little follow-up has taken place on baseline household surveys at this stage. Examples of results on progress toward

⁴ Based on the 2020 Project Implementation Report for the Global Platform on Sustainable Cities global coordination project. For the SC IAP, no program-level reporting aggregating results across child projects is available for 2019 and 2020.

addressing drivers in each of the three IAPs are reported in boxes 4.1–4.3 containing excerpts from the three case studies.

Some PIRs/MTRs report progress toward achieving broader adoption of project outcomes within the project period, mainly through institutional sustainability of interventions (71 percent), supporting scaling-up (39 percent), enabling conditions for replication (29 percent), and mainstreaming (32 percent). Less progress is noted to date toward deep changes (e.g., market change, systemic change, behavioral change, addressing the root causes of environmental problems) (13 percent). Compared to project reporting, survey respondents see more evidence of broader adoption among GEF-6 IAP child projects, with approximately half of respondents stating that child projects are already making contributions toward replication, mainstreaming, and scaling up—which could also reflect progress since last reporting, given lag time. For the GGP IAP, the hub project has struggled with the programmatic integration of activities that could drive systemic change, and resistance from country partners to invest already limited time and resources into integration efforts.

PRELIMINARY COUNTRY-LEVEL SURVEY FINDINGS

Given the centrality of recipient countries in the integrated approach, a critical source of evidence for this evaluation was an on-line survey administered to capture the perceptions of country-level stakeholders (government representatives, including operational and political focal points and convention national focal points for the CBD, UNCCD, and UNFCCC, private sector and civil society organizations, and child project staff and consultants). The survey received 268

BOX 4.1 Progress Toward Addressing Drivers of Soy-related Deforestation in Brazil at Midterm—GGP IAP

At midterm, substantial progress has been made on the demand end of the supply chain through the GGP Demand Project (GEF ID 9182) in terms of corporate engagement with buyers and traders. For example, the project-funded Soy Toolkit has been used by Cargill and Maggi, two major soy traders in Brazil, to update their corporate environmental policies. Another major achievement to protect the Cerrado biome has been the Cerrado Manifesto, an agreement signed by 64 global buyers in February 2019. This agreement illustrates the effectiveness of the corporate engagement approach through platforms and pressure on traders. The success of the agreement, however, depends on finding donors to fund the financial mechanism for compensating producers to conserve biodiversity above the legal requirements. If successful, these results could lead to a transformative shift in the Brazilian soy market.

On the supply side, the GGP Brazil Production Project (GEF ID 9617) was found to have missed important political, social, and institutional drivers of change in its theory of change, as well as to have insufficiently considered leakage effects associated with the concentrated efforts in 10 municipalities to register properties to prevent illegal deforestation, and the potential displacement of deforestation in other areas of the Matopiba region. The MTR raised “serious concerns as to the achievement of the targeted decrease of the deforestation rate by 1,000 km²,” given the issues faced with compliance with the Forest Code and despite substantial efforts to adapt to obstacles. A soy systems workshop has been held in Brazil in the wake of these MTR findings to better understand the levers of change in the current political context and align partners’ work around those.

BOX 4.2 Integrating transit-oriented development and land-use planning in China—SC IAP

At midterm, the China SC IAP child project (GEF ID 9223) is making good progress, and all but one cumulative target values for the midpoint of implementation have been reached or extensively surpassed. The innovative transit-oriented development (TOD) concept is based on the concentration of compact urban development around transit lines, enabling pedestrian and other nonmotorized access to stations, and reducing the use of individual cars and related local pollution and GHG emissions. All participating cities (Tianjin, Beijing, Shijiazhuang, Nanchang, Shenzhen, Ningbo, and Guiyang) have already launched the preparation of their city-level and corridor-level TOD strategies, with Shenzhen adding district and station level plans. Tianjin is also exploring private sector TOD financing.

The Ministry of Housing and Urban Development has launched the preparation of the National Platform

which will codify TOD approaches in order to later issue related guidelines for all Chinese cities to follow. This is expected to support replication. Capacity building activities have included participation in the Global Platform on Sustainable Cities global meetings and city academies; technical workshops and training sessions organized by the World Bank task team; a Tokyo Development Learning Center deep dive learning week; and study tours and webinars organized by the project management offices. Twelve quarterly project newsletters have been produced in English and Chinese to document implementation progress, and more importantly, to share TOD-related trends of policy reforms, academic and professional activities, engagement of the private sector, and best practices in China. The newsletters are also disseminated globally by the Global Platform on Sustainable Cities.

BOX 4.3 Establishing a Water Fund and Payment for Environmental Services in Kenya—RFS IAP

One year before completion, the Kenya Water Fund project has made significant progress. It is already achieving multiple direct benefits, as payment for environmental services, for more than 23,000 farmers on 17,000 hectares through promoting sustainable land management (SLM) and water conservation measures, restoring environmentally sensitive lands, linking farmers to alternative value chains, such as of avocados, and adapting to climate change. Many project outputs are close to targets, or even exceed them, such as water pans/reservoirs (68 percent), biogas installations (115 percent) and the successful planting of tree seedlings with high survival rates (372 percent). Less information is available on how many farmers effectively adopted all three core SLM technologies promoted by the project on terracing, agroforestry, and grass strips. Still, the project is on good track to achieve its global environmental benefit core indicators for landscapes under improved practices, area of land restored and

GHG emissions mitigated, as well as for number of direct beneficiaries. Planned interaction with a cofinanced IFAD project has not materialized so far, partly as extension models and coverage areas are different. This limits GEF scaling-up and sustainability effects.

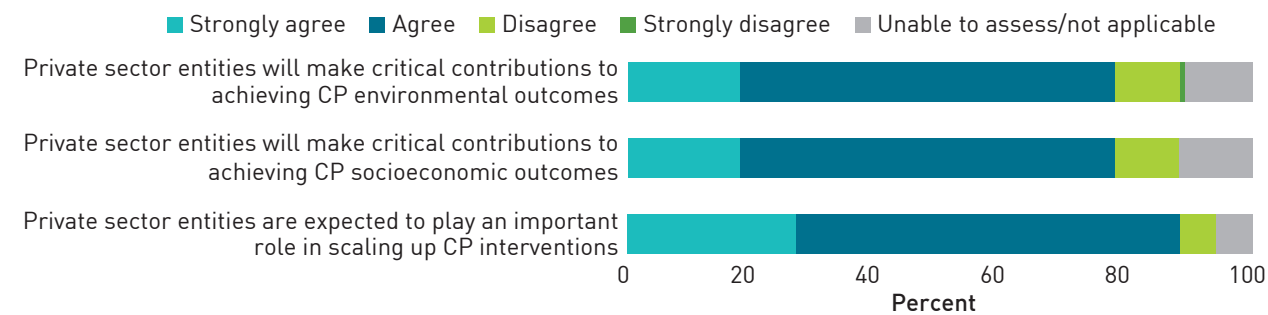
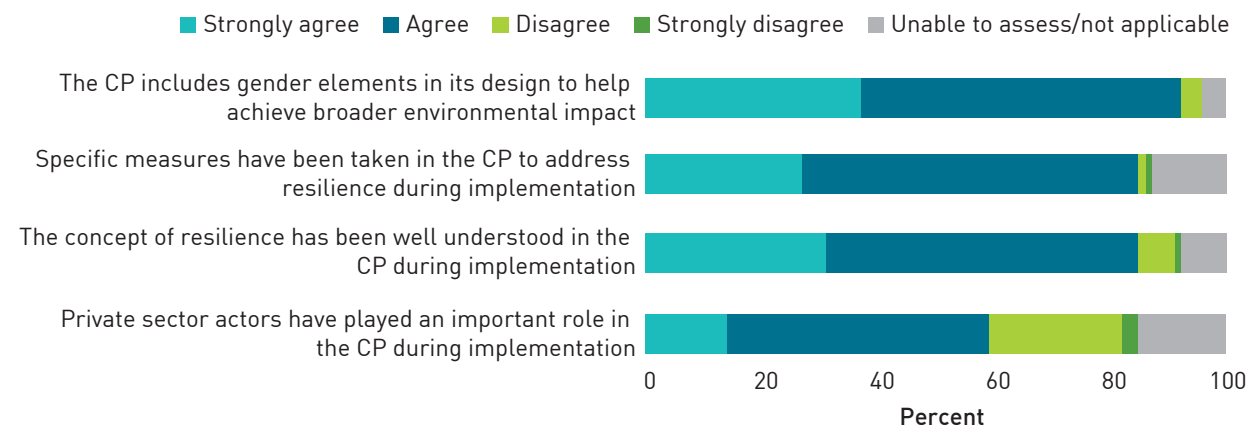
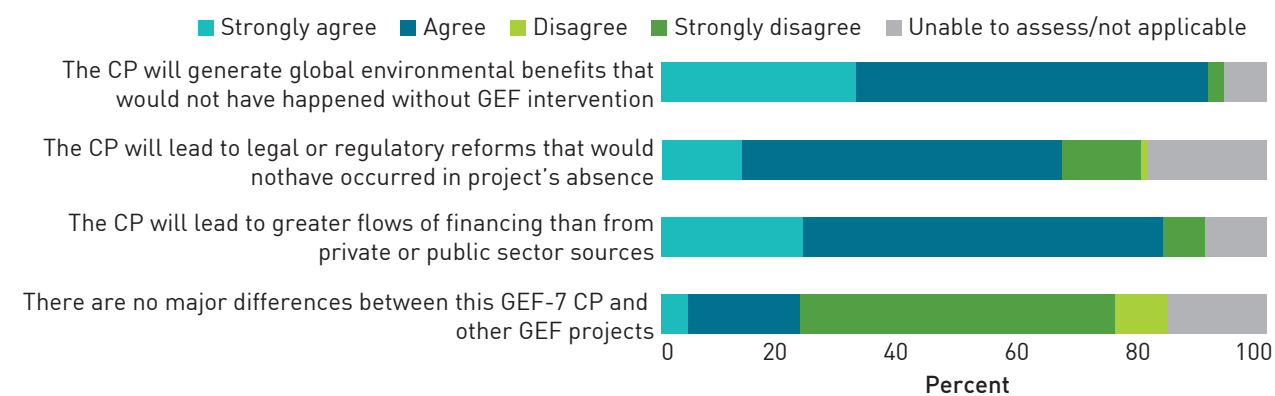
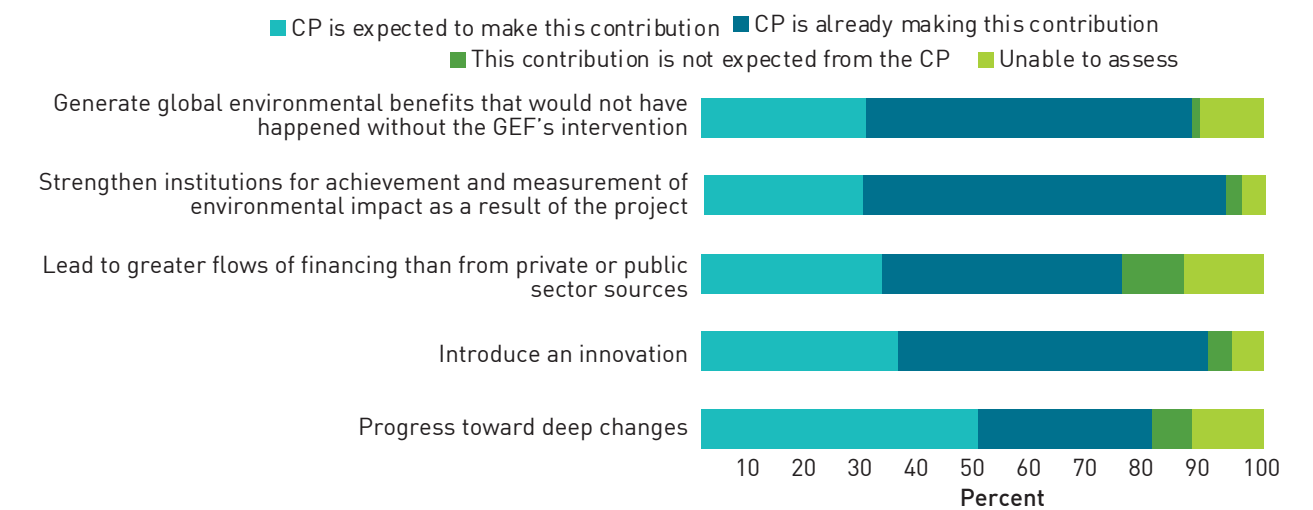
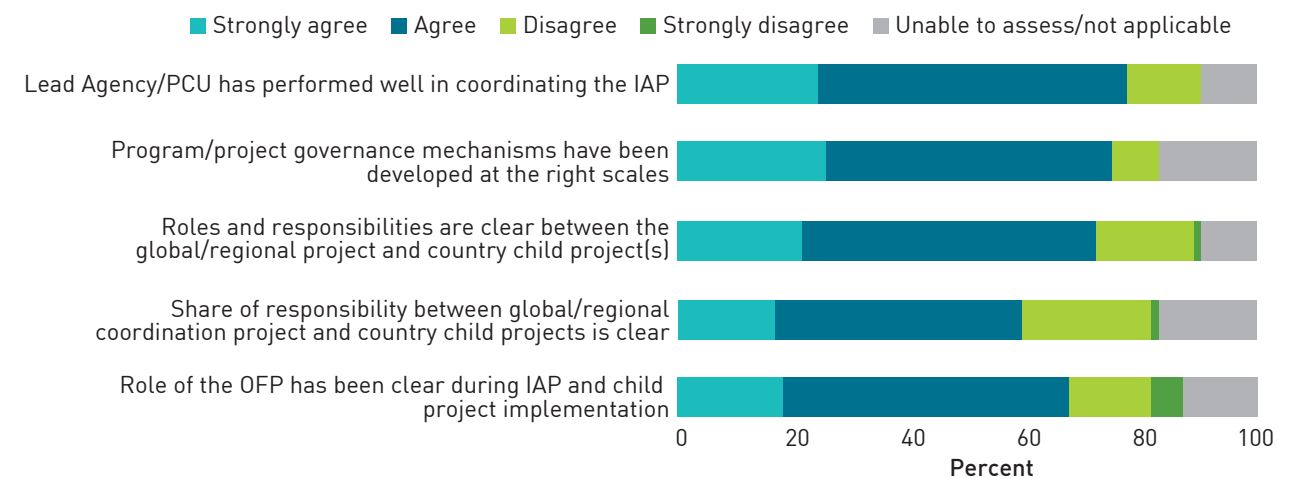
The Water Endowment Fund is the project’s strongest and most innovative contribution to environmental governance in Kenya. The Fund collects private sector contributions from water users downstream to protect the watershed upstream in catchment areas. Water Fund by-laws and institutional framework enabling stakeholder engagement were efficiently put in place, but despite a promising outlook, private sector capitalization of the Endowment Fund has been slow (29 percent of plan) and resource mobilization suffered from COVID-19. In terms of sustainability, the Fund’s successful continuation is likely to depend on more support from public sector organizations.

responses, and selected findings from this survey are summarized below. These findings are being triangulated across other sources of evidence for the final evaluation report.

As shown in figures 4.4 and 4.5, the survey responses indicate an expectation that the private sector play a stronger role in the GEF-7 IPs, with 78 percent of respondents agreeing that the private sector will play an important role in generating global environmental and socioeconomic outcomes. In the GEF-6 IAPs, during implementation, 25 percent of respondents disagreed that private sector played an important role during implementation. This percentage was consistent across the three IAPs. For resilience and gender, the survey indicates good integration and consideration of these elements during both design and implementation.

As shown in figures 4.6 and 4.7, the survey responses indicate strong expectations for GEF-7 IP child projects contributions to environmental, legal/regulatory, institutional, financial, socioeconomic, and innovation additionality. For the GEF-6 IAP child projects, progress to date is most frequently identified for institutional and environmental additionality, followed by innovation and socioeconomic additionality.

As evidenced by figure 4.8, country-level survey respondents generally agree that there is room for improvement in terms of the clarity of roles and responsibilities between global coordination projects and country child projects, sharing of costs, and the role of the OFP.

FIGURE 4.4 . Cross-cutting results from country-level survey (IP)**FIGURE 4.5 Cross-cutting results from country-level survey (IAP)****FIGURE 4.6 Additionality results from country-level survey (IP)****FIGURE 4.7 Additionality results from country-level survey (IAP)****FIGURE 4.8 Program governance results from country-level survey (IAP)**

MEDIUM-SIZE PROJECTS

Evaluation of the Role of Medium-Size Projects in the GEF Partnership

STATUS: Presented to Council

REPORT: <https://www.gefio.org/evaluations/msp-2020>

RATIONALE AND BACKGROUND

The GEF MSP modality was introduced in 1996. MSPs were intended to promote rapid, efficient project execution by simplifying preparation and approval procedures, shortening the project cycle, and delegating responsibility for approving project proposals to the GEF Chief Executive Officer. Further, MSPs were intended as an expedited mechanism allowing a broader, more balanced representation of executing agencies and stakeholders to access GEF funds, including government agencies, national and international NGOs, academic and research institutions, and private sector companies. As of September 15, 2020, the GEF had committed \$1.24 billion in GEF grants and \$5.89 billion in planned cofinancing to MSPs; this accounted for 23 percent of all projects and 6 percent of all GEF grants.

KEY FINDINGS

Overall, GEF MSP performance ratings are similar to that of FSPs. MSPs address funding gaps for countries; they have performed well and are sustainable. MSPs have achieved impact and transformational change with their focus on stakeholder inclusion, country ownership, and innovative designs. Well-designed MSPs, such as those with a foundation of strong partners and

cofinancing or those designed to address systemic issues through interventions that are part of an overall larger strategy for the country, tend to result in MSPs being rated as more successful than one-off projects.

The MSP modality is a good entry point into the GEF, particularly for the newer Agencies. MSPs are a useful entry point to test and learn without taking the risks associated with larger FSPs, particularly for newer GEF Agencies. Agencies use MSPs for risky projects that other donors are not necessarily prepared to support. MSPs now include a broad representation of CSO executing agencies, including NGOs, institutes, and foundations. More CSOs are executing agencies for MSPs than for FSPs, with 18 percent of MSPs executed by CSOs compared with 4 percent for FSPs.

MSPs have been developed when rapid response is necessary, as with the COVID pandemic. The GEF approved a World Wildlife Fund project, Collaborative Platform for African Nature-Based Tourism Enterprises, Conservation Areas, and Local Communities as a response to COVID-19. Projects like this reflect the common view across the GEF partnership of the MSP as a quick and agile modality. One-step MSPs have allowed Agencies to react quickly to opportunities to develop projects.

MSPs deploy innovative approaches, achieve transformational change, and have been a catalyst for financing innovation and scale-up. MSPs are used to pilot technology and test applications that could be applied on larger scale. MSPs are also used for capacity building and developing knowledge products. For example, the GEF support to countries for implementing the Cartagena Protocol on Biosafety largely encompasses

capacity-building efforts predominantly delivered through MSPs.

Overall, the \$2 million MSP limit seems appropriate for smaller GEF Agencies and countries. The larger multilateral development banks consider the MSP funding to be small, and this affects their perception of its utility and potential effectiveness. They have consequently suggested raising the upper limit. The smaller GEF Agencies do not share this view, as they have found a niche for MSPs.

The amount of effort required—and the transaction costs associated with—developing, administering, and monitoring an MSP is not very different from an FSP. All GEF projects, including MSPs, follow the same policies and procedures and adhere to the same requirements including adherence to environmental and social safeguards, stakeholder engagement, and gender policies in the GEF. As a result, some Agencies do not find MSPs attractive as a modality.

SMALL GRANTS PROGRAMME

Third Joint GEF-UNDP Evaluation of the Small Grants Programme

STATUS: Completed; to be presented to Council June 2021

REPORT: <https://www.gefio.org/evaluations/sgp-2020>

RATIONALE AND BACKGROUND

The SGP has been evaluated jointly by the independent evaluation offices of the GEF and UNDP.

The main objective of the joint evaluation is to evaluate the extent to which the SGP is achieving the objectives set out in its strategic and operational directions under GEF-6 (2014–18) and GEF-7 (2018–22). The focus of this evaluation is placed on strategic issues that have arisen since the last evaluation in 2015. The number of countries participating in the SGP has grown from 11 in 1992 to 126. Since July 2014, the SGP has provided about 6,005 small grants, for a total of \$190.92 million in grants.

KEY FINDINGS: OVERALL

The SGP continues to be highly relevant to the evolving environmental priorities at all levels due to the type of activities that are being implemented with SGP support, as well as the way in which activities are implemented. The combination of environmental, social, and economic benefits contributes greatly to maintaining local relevance and boosting effectiveness. As a program, the SGP has continuously adapted to the changing policy context. There is consensus that the work of the SGP should continue to expand.

Different stakeholders hold diverging and sometimes competing visions of the SGP, which has an impact on its overall governance, policies, and future directions—particularly regarding the challenges involved in implementing the upgrading process, defining acceptable programmatic costs and in adapting the rolling modality to the GEF context.

The disadvantages and risks of the upgrading process outweigh its short-term financial advantages. There is a high risk of programming gaps, interruptions or even closure of this GEF funding window for CSOs and small grants in developing countries. The decisive factor in adopting an

upgrading policy in the SGP 5th Operational Phase was the inability (or unwillingness) of the GEF Replenishment to provide increased resources to the SGP that would align with requirements for expansion and programmatic development. The upgrading process transfers the funding pressure from the corporate level to the individual country STAR allocations. Additionally, the upgrading policy and the discourse around upgrading have tended to make assumptions about civil society capacity and the ability of countries to generate global environmental benefits aligned with their upgraded status that do not always materialize.

KEY FINDINGS: EFFECTIVENESS

The evaluation found that the SGP has been consistent in its delivery of environmental results at local, national, and global levels and in generating economic and social benefits since the previous evaluation in 2015. The SGP's inclusiveness, demand-driven nature, and innovativeness all contribute to its effectiveness at the local level. Importantly, the SGP benefits from high levels of ownership, visibility, and credibility—a form of social capital that can be both celebrated and built upon.

The pace at which the SGP repackages its programming framework in response to changing programming trends in the GEF is not effective, because it adds complexity, and the impact of new programmatic frameworks is not always felt at the local level. Changing programmatic frameworks too frequently dilutes the SGP's focus without leading to improved results at the national level, and the plethora of programmatic options (strategic initiatives, focal area results, innovation programs, and Grantmaker Plus initiatives) is confusing. Outside of the landscape/seascape approach to targeting, and the Global Support

Initiative for Indigenous Peoples and Community-Conserved Territories and Areas partnership, few other special SGP initiatives have had much uptake.

As a demand-driven program that delivers funds to CSOs, and because it allows for controlled risk-taking by organizations that have little capacity, or that have been excluded for other reasons, the SGP is uniquely placed to act as a promoter of technical, institutional, and social innovation. In many regards, the SGP has acted as the GEF's CSO-focused green venture capital mechanism. The experience of the SGP over the past decades can be leveraged as a unique mechanism for small grant delivery, particularly at a time when many donors feel less confident about small grants mechanisms, and when the quest for operational efficiencies through large programmatic approaches leads to the exclusion of small local voices. This experience could be leveraged to a bigger scale within the broader GEF partnership.

KEY FINDINGS: EFFICIENCY

The governance structure of the SGP is complex, and the upgrading process has complicated the lines of accountabilities even further. One of the strongest assets of the SGP is the national-level steering committee and coordinators, who act as engines for the program's progress at local level. National steering committees and national coordinators have insufficient support to enable the SGP to tap into more of its current social capital and leverage additional partnerships at the national level to support broader adoption. At the global level, the relationship between UNDP, GEF, the Central Program Management Team, and the United Nations Office for Project Services as well

as responsibilities and accountabilities among these key stakeholders remain ambiguous.

The improvements in efficiency at the global program level have been weakened by challenges in upgrading countries. There has been improved management of the project cycle for both the global program and upgraded countries. However, the upgrading process has transferred a larger number of operational risks and transaction costs to developing countries, which have led to delays, suboptimal M&E, dissatisfaction with the operational challenges, and sometimes competition or conflicts related to priorities for resource allocation.

The improvements made to the SGP's overall M&E framework have been significant, and continued investment to leverage the benefits is important. Currently the M&E system does not provide sufficient granularity in the tracking of grants and grantees to support targeting of beneficiaries and to measure CSO capacity and maturity. M&E protocols and processes related to the global program and upgraded country programs, and the inherent complexities of the rolling modality are not yet fully harmonized with the GEF monitoring requirements.

KEY FINDINGS: SUSTAINABILITY

The measurement of sustainability in the SGP is not sufficiently nuanced to capture the nature of the work. In the cases where the SGP is offering first proof-of-concept financing, or working with newly constituted organizations, sustainability expressed in the strict terms of continued project outcomes is insufficient. The innovativeness of the SGP lies in the way it works with local partners, often more than in the technologies or approaches it promotes. By building

trust, reducing the risk in testing innovations, and fostering collaboration and dialogue, the SGP creates new conditions upon which the future of the sustainable development and conservation movement can take root. Consequently, sustainability in the SGP requires an additional layer related to its intangible benefits.

ENABLING ACTIVITIES

Evaluation of GEF Enabling Activities

STATUS: Ongoing

REPORT: <https://www.gefio.org/evaluations/ea-2021>

RATIONALE AND BACKGROUND

The GEF enabling activities are foundational and specifically designed to prepare plans and/or strategies, and to help countries fulfill their obligations under the conventions for which the GEF is the financial mechanism. The GEF currently serves as the financial mechanism and funds enabling activities related to five conventions: Convention on Biological Diversity, UN Convention to Combat Desertification, United Nations Framework Convention on Climate Change, Stockholm Convention on Persistent Organic Pollutants, and the Minamata Convention on Mercury.

This evaluation assesses the role of enabling activities in helping countries meet their convention obligations, their role in developing national policies as well as preparing national plans and strategies. The evaluation looks at effectiveness and efficiency of enabling activities including the direct access mechanism.

Since the pilot phase, the GEF has funded 1370 enabling activities (\$601.19 million in GEF grants) and 186 in umbrella arrangements (\$469.82 million in GEF grants). This reflects a total of 1,556 projects and \$1.071 billion in GEF grants (table 4.2). Their distribution by focal area is presented in table 4.3.

The evaluation covers enabling activities designed and implemented since GEF-4. The portfolio is composed of 544 MSPs with \$262.2 million in GEF grants and \$187.97 million in planned cofinancing.⁵ Support for countries to meet their obligations to the conventions has also been delivered through umbrella arrangements where enabling activities are bundled and processed as MSPs and FSPs. The GEF has funded 139 such projects for an additional \$398.94 million in GEF grants and \$1.01 billion in planned cofinancing.

Since GEF-4, foundational activities designed to prepare plans and/or strategies and to help countries fulfill their obligations under the conventions funded through umbrella arrangements have accounted for just over 60 percent of enabling activity financing in the GEF, while projects under the formal modality of enabling activities account for just under 40 percent.

It has become apparent during our interviews that even though the process for approving umbrella arrangements is different from other enabling activities, the GEF and the GEF Agencies see them as the same. This is largely due to the fact that umbrella arrangements are a way of bundling enabling activities, so that the Agency does not have to submit multiple requests.

⁵ Grant amount including project preparation grant but excluding associated Agency fees.

PRELIMINARY FINDINGS

The enabling activities modality is achieving its intended objective of helping countries fulfill their obligations under the conventions for which the GEF is the financial mechanism

Enabling activities do more than support convention reporting. They provide countries with tools to understand their own vulnerabilities. Enabling activities have a role: (1) identifying key national priorities for future projects, (2) reporting to national conventions, and (3) as a basis for future GEF projects

Enabling activities that provide core inventory information are good bases for future projects.

With the support of enabling activities, recipient countries have established baseline data in each focal area, set environmental priorities, identified solutions to some environmental issues, improved policy and legislation frameworks as well as institutional arrangements, strengthened environmental management capacity of staff, and put in place action plans for next steps.

Direct access was tested in GEF-5 and was ultimately not successful due to transaction costs/burden associated with World Bank procedures.

As the GEF is not an independent legal entity, disbursement of funds directly to countries is onerous for GEF staff, the World Bank, and countries alike.

Funding for UNCCD reporting is lower compared with that for other conventions, e.g., the UNFCCC, CBD, Stockholm, and Minamata.

Out of the projects included in the assessment (about 500 projects between GEF-4 and GEF-7), only a handful addressed national policies or frameworks as their primary objective. However,

TABLE 4.2 Enabling activity financing by GEF replenishment period

Period	Enabling activity modality				Umbrella arrangement (MSPs and FSPs)				Total	
	Project		Grant		Project		Grant		No. of projects	Grant amount (\$)
	No.	%	Amount (\$)	%	No.	%	Amount (\$)	%		
Pilot	9	100	34,199,959	100	0	0	0	0	9	34,199,959
GEF-1	234	100	70,841,860	100	0	0	0	0	234	70,841,860
GEF-2	254	95	91,691,772	91	12	5	8,763,986	9	266	100,455,758
GEF-3	329	90	142,272,521	70	35	10	62,109,906	30	364	204,382,427
GEF-4	40	40	21,526,298	14	59	60	129,834,889	86	99	151,361,187
GEF-5	290	86	72,066,893	30	46	14	166,137,616	70	336	238,204,509
GEF-6	149	83	105,738,837	58	31	17	77,793,797	42	180	183,532,634
GEF-7	65	96	62,858,190	71	3	4	25,177,880	29	68	88,036,070
Total	1,370	88	601,196,330	56	186	12	469,818,074	44	1,556	1,071,014,404

SOURCE: GEF Portal as of February 28, 2021.

NOTE: GEF-7 is not fully programmed.

TABLE 4.3 Enabling activity financing by focal area, pilot phase–GEF-7

Focal area	Enabling activity modality		Umbrella arrangement (MSPs and FSPs)		Total	
	No. of projects	Grant amount (\$)	No. of projects	Grant amount (\$)	No. of projects	Grant amount (\$)
Biodiversity	388	119,846,960	99	159,242,999	487	279,089,959
Climate change	426	302,345,777	32	182,321,887	458	484,667,664
Land degradation	54	22,268,627	9	12,193,170	63	34,461,797
Chemicals and waste	108	47,137,045	25	93,723,218	133	140,860,263
POPs	207	78,395,856	—	—	207	78,395,856
Multifocal	187	31,202,065	21	22,336,800	208	53,538,865
Capacity development ^a	—	—	21	22,336,800	21	22,336,800
NPFE	38	473,315	—	—	38	473,315
NCSA	149	30,728,750	—	—	149	30,728,750
Total	1370	601,196,330	186	469,818,074	1556	1,071,014,404

SOURCE: GEF Portal as of February 28, 2021.

NOTE: GEF-7 is not fully programmed. —= not available; NCSA = National Capacity Needs Self-Assessment; NPFE = National Portfolio Formulation Exercise.

a. Capacity development for countries to meet convention obligations.

there is some evidence of indirect contributions of enabling activities on national policies/strategies, and some enabling activities may have a role in facilitating development and update of national policies.

There are concerns regarding disbursements and administrative complexity and inefficiency when it comes to countries accessing the funds for enabling activities. To some extent, the GEF is tied by its own rules. For example, GEF funds cannot fund government staff, so the enabling activities tend to have to use consultants to create the technical reports, which then sometimes leads to lack of government buy-in.

Possible solutions to address administrative complexities that might be considered include the following:

- Add an enabling activity component to larger projects (FSPs or MSPs).
- For umbrella arrangements, to reduce the time to get money disbursed to individual countries, the GEF could consider not requiring letters of endorsement ahead of GEF approval. The GEF could provide the funding

to the Agency and have endorsement letters as a requirement for disbursement from the Agency to the individual countries.

- Countries could consider submitting one proposal to the GEF that covers all convention reporting needs over a five-year cycle, or to coincide with a GEF cycle.
- Simplify the enabling activity modality.
- Bundle enabling activities through programmatic approaches.
- Involve entities other than GEF Agencies in enabling activity implementation and execution, such as convention secretariats or other financial mechanisms (e.g., the UNCCD's global mechanism).
- Separate operational (project management, financial disbursement, and oversight) from technical/capacity-building support.

5 GEF support to countries

The Independent Evaluation Office (IEO) conducted an evaluation of Global Environment Facility (GEF) engagement in fragile and conflict-affected situations. While this is not a formal category that the GEF uses, the majority of GEF programming takes place in such situations. The evaluation found that fragility and conflict affect performance through specific, identifiable pathways. Consequently, the GEF might develop conflict-sensitive safeguards, policies and guidance that would allow it to manage associated risks systematically. IEO completed three strategic country cluster evaluations (SCCEs) focusing on least developed countries (LDCs), small island developing states (SIDS), and countries in the Sahel and Sudan-Guinea Savanna Biomes in Africa. There is some overlap between these categories, as well as the category of fragile and conflict-affected situations; consequently, the findings are also overlapping. These evaluations in particular honed in on determinants of sustainability, which has been rated lower in these countries on average, but tends to improve over time, especially when financial mechanisms are in place and resources materialize. Also, in these countries it is particularly important to pay attention to the synergies and trade-offs between environment and development, especially sustainable livelihoods for people.

We are currently conducting one more evaluation that focuses on middle-income countries through the cases of Brazil, China, India, Mexico and South Africa where so much GEF work has concentrated

and which are central to achieving the GEF's goals. Preliminary findings are Included In this section.

Finally, the Country Support Program (CSP) provides recipient countries with assistance and capacity building to make better use of the resources available through the GEF. Findings on the relevance and effectiveness of this support are presented.

Evaluation of GEF Support in Fragile and Conflict-Affected Situations

STATUS: Presented to Council

REPORT: <https://www.gefio.org/evaluations/fragility-2020>

This evaluation assessed the impacts of conflict and fragility on the design and implementation of GEF interventions at three scales: globally, at the country and regional levels, and at the project level. It also assessed the impacts of efforts to make GEF interventions conflict-sensitive. The evaluation covered 4,136 projects and 7 country case studies. The analysis drew upon both quantitative and qualitative methods.

The GEF portfolio in countries affected by major armed conflict has increased over the GEF replenishment periods and now accounts for 44 percent of GEF projects. As of July 2020, the GEF had invested over \$4.0 billion in countries affected

by major armed conflict, comprising 29 percent of its global portfolio. Of all GEF-funded projects, 33 percent have been implemented in countries affected by major armed conflict

There are five critical pathways through which conflict and fragility affect GEF projects: physical insecurity, social conflict and mistrust, economic drivers, political fragility and weak governance, and coping strategies (figure 5.1).

KEY FINDINGS

The GEF’s ability and willingness to fund projects in conflict-affected situations can be catalytic in generating additional funding. In a number of instances, the GEF has provided the initial funding necessary to pilot projects and lay the

groundwork for additional, larger investments by other institutions that expand and extend the impacts of the GEF funding.

Conflict and fragility affect project relevance, effectiveness, efficiency, and sustainability. Conflict can enhance the relevance of GEF projects, particularly those designed to be conflict sensitive that address livelihoods, food security, cooperation, and basic services. On the other hand, armed conflict and fragility can shift the focus and priorities of a state and community away from environmental and other initiatives that require cooperation and toward efforts that directly affect conflict dynamics or provide relief.

Conflict and fragility can also undermine GEF projects’ effectiveness by blocking access to target sites, creating security risks for project staff,

FIGURE 5.1 Key pathways by which conflict and fragility affect GEF projects

	PHYSICAL INSECURITY	SOCIAL CONFLICT AND MISTRUST	ECONOMIC DRIVERS	POLITICAL FRAGILITY AND WEAK GOVERNANCE	COPING STRATEGIES
					
Negative impact	<ul style="list-style-type: none">• Impedes access to project site• Physical safety of project staff and partners• Difficulties hiring staff	<ul style="list-style-type: none">• Land tenure issues• Sensitivities hiring project staff	<ul style="list-style-type: none">• Illicit extraction and trade of natural resources• Competition over resources can drive conflicts and put staff and parties at risk• Currency depreciation	<ul style="list-style-type: none">• Institutional capacity and legitimacy• Financial capacity• Corruption and rule of law	<ul style="list-style-type: none">• Conflict between internally displaced persons/refugees and local communities• Decreased carrying capacity• Vulnerability enhanced by climatic stressors
Positive impact		<ul style="list-style-type: none">• Projects designed to increase cooperation among groups	<ul style="list-style-type: none">• Projects focused on livelihoods and sustainable natural resource management	<ul style="list-style-type: none">• Projects designed to align with governmental priorities, including implementation of peace agreement	

SOURCE: Environmental Law Institute and GEF IEO.

and—in extreme cases—causing projects to be canceled or dropped. The efficiency of projects can also be affected by conflict and fragility, for example, by requiring project restructuring, delays, or additional costs for security. Finally, project sustainability is undermined by conflict and fragility, particularly by sociopolitical instability and outbreaks of violence. Political fragility, weak governance, and limited institutional capacity have affected GEF project implementation and sustainability. Issues related to physical security were the most common in affecting project performance, implementation, and results.

At all scales of implementation, a country’s conflict status had a statistically significant impact on the duration of a project’s delays. For example, the project Reducing Conflicting Water Uses in the Artibonite River Basin through Development and Adoption of a Multi-focal Area Strategic Action Programme began in August 2009 and had a planned closing date of July 2013, but was actually completed in December 2014. Tensions between the two project countries—Haiti and the Dominican Republic—built up throughout the project’s lifetime. Although the parties had signed a binational agreement to facilitate the integrated management of the watershed by both governments, meetings were canceled at critical points.

A country’s fragility classification is associated with a statistically significant impact on the likelihood of projects being canceled or dropped. Projects in countries affected by major armed conflict had 1.26 higher odds of being dropped or canceled than projects in other countries.

Globally, the conflict status of a project’s country had a statistically significant impact on the project’s sustainability rating at completion. The presence of major armed conflict in a project





country correlates with a lower score for project sustainability, suggesting that projects taking place in conflict-affected sites are on average less sustainable than those in nonconflict contexts.

The GEF currently lacks conflict-sensitive safeguards, policies, and guidance necessary to systematically manage the risks and effects of conflict and fragility on GEF projects; however, in the absence of a systematic approach to managing risks, GEF projects have employed five conflict-sensitive strategies: acknowledgment, avoidance, mitigation, peacebuilding, and learning. A growing number of GEF Agencies have been learning from experiences in designing, implementing, and evaluating environmental projects in fragile and conflict-affected situations. Figure 5.2 presents the conflict-sensitive strategies adopted by GEF projects to manage risks posed by conflict and fragility—they all begin with an acknowledgment of risk.

CONCLUSIONS

- Conflict can enhance the relevance of GEF projects, particularly those designed to be conflict sensitive that address livelihoods, food security, cooperation, and basic services.
- Risks related to conflict and fragility, as well as the ways in which GEF projects respond to those risks, negatively affect project effectiveness, efficiency, project timings, and sustainability, and increase project cancellations. Country fragility is associated with a negative and statistically significant impact on project outcomes, sustainability, implementation and execution quality, and monitoring and evaluation (M&E) design and implementation.
- A growing number of GEF Agencies have been learning from experiences in designing,

FIGURE 5.2 Risk management strategies

AVOIDANCE	MITIGATION	PEACEBUILDING	LEARNING
			
<ul style="list-style-type: none">• Project site selection	<ul style="list-style-type: none">• Training• Monitoring and early warning• Participatory approach• Local partners• Dispute resolution mechanisms• Adaptive management	<ul style="list-style-type: none">• Political will• Livelihoods• Environmental restoration• Co-benefits	<ul style="list-style-type: none">• Applying learning from previous experiences in project design• Learning during project implementation• Learning during M&E

SOURCE: Environmental Law Institute and GEF IEO.

implementing, and evaluating environmental projects in fragile and conflict-affected situations. GEF project designs have benefited from consultation with indigenous communities and have alleviated gender inequality by including large percentages of women beneficiaries.

Least Developed Countries Strategic Country Cluster Evaluation

STATUS: Presented to Council
REPORT: <https://www.gef.io/evaluations/scce-ldc>

The overarching objectives of this SCCE are to provide a deeper understanding of the determinants of sustainability of outcomes of GEF support in LDCs. It also assesses the relevance and performance of GEF support toward LDCs’ main environmental challenges, of which the most common are deforestation and land degradation and biodiversity loss. Gender, resilience, and fragility have been assessed as crosscutting issues. Overall, since its pilot phase, the GEF has invested \$4.68 billion in grants accompanied by \$25.81

billion in cofinancing through 1,435 national and regional projects in LDCs. Twenty percent of this total funding came from the Least Developed Countries Fund (LDCF).

GEF support to LDCs has increased consistently since the pilot phase. The GEF has long recognized the unique challenges LDCs face and has regularly increased its support to LDCs since the pilot phase to more than \$1.2 billion in GEF-5 and GEF-6. Commitment amounts for GEF-7 as of the end of December 2019 total \$295.8 million, showing continued strong support to LDCs.

GEF interventions are relevant to national environmental challenges facing LDCs. Most GEF support to LDCs has focused on climate change adaptation to address the effects of a changing climate that exacerbates most environmental challenges in LDCs. Multifocal area interventions—most commonly a combination of biodiversity, land degradation, and climate change, including adaptation—have grown to help LDCs tackle environmental challenges through integrated programming. GEF interventions are

well aligned with governments’ environmental priorities in LDCs and also focus on the much-needed areas of institutional development, policy frameworks and governance. The expansion of GEF Agencies has opened up more options for most LDCs. The number of GEF Agencies supporting LDCs has increased from eight in GEF-4 to 12 during GEF-6 and the shares of the three largest GEF agencies has dropped from 72 percent to 52 percent in LDCs in GEF 7.

LDC project performance is lower than the overall GEF portfolio. Focusing on outcomes and the likelihood of their sustainability, 72 percent of projects were rated satisfactory, considerably lower than the 80 percent rating in the overall GEF portfolio. For sustainability of outcomes, 46 percent of LDC projects were rated in the likely range, compared with 63 percent in the overall GEF portfolio. On these dimensions, LDC projects are also rated lower than projects in Africa and Asia, where most LDCs are located. However, while projects in LDCs tend to have lower ratings, more recently completed projects have higher ratings than those completed from 2007 to 2014. Climate change adaptation projects performed better than other focal area projects in LDCs with 79 percent of projects rated satisfactory.

Financial sustainability is a challenge in most LDCs. Of the four dimensions of sustainability—financial, institutional, environmental, and political—financial sustainability is rated the lowest in LDCs. By region, financial sustainability varies widely, with 54 percent of LDC projects rated as likely in terms of financial sustainability in Africa compared with 84 percent in Asia, which outranks the overall GEF cohort. The range reflects LDCs’ heterogeneity. Limited postcompletion financing is a key context-related hindering factor indicating the importance of elaborating

financial arrangements at design that can continue after project completion to deliver ongoing benefits.

Profitable income-generating activities play a vital role in the sustainability of outcomes in LDCs. Many GEF interventions include income-generating activities to link local community benefits to improved environmental management. Community livelihood interventions in LDCs are more likely to succeed if they are, in fact, alternative livelihoods; are well designed; have a positive environmental-socioeconomic nexus; and meet the needs of beneficiaries. Interventions are more likely to be sustainable if they are market oriented and are integrated in development plans and budget.

The inclusion of gender considerations in GEF interventions has increased in LDCs. The evaluation found a progressive increase in the number of projects completing gender analyses, including gender mainstreaming plans, and incorporating gender in results frameworks from GEF-4 to GEF-6. Taking gender into consideration is important for outcome sustainability, as well as for gender equality and women’s empowerment.

Climate resilience is addressed in climate change adaptation projects, but rarely in other focal area projects. While all climate change adaptation projects financed by the LDCF, the Special Climate Change Fund (SCCF), and the GEF Trust Fund Strategic Priority for Adaptation included resilience considerations, only 37 percent of other focal area projects showed evidence of climate resilience considerations. Resilience considerations in these projects focused on risk management and resilience as a co-benefit. Resilience considerations are increasingly

integrated into the project's multiple benefits framework between GEF-4 and GEF-6.

Fragility has affected the timely delivery of GEF support as well as outcomes and sustainability of GEF support in LDCs. Overall, outcome and sustainability ratings show lower ratings for projects implemented in fragile LDCs than those that were not. As observed in country visits by the African Biomes and SIDS SCCEs in Comoros, Guinea, Guinea-Bissau, Kiribati, and Mali, country insecurity and the emergence of fragile situations can substantially delay implementation and outcomes. However, activities such as alternative livelihood and income-generating activities that are financially viable and relevant tend to continue—especially those located far from capital cities.

Strategic Country Cluster Evaluation: Sahel and Sudan-Guinea Savanna Biomes

STATUS: Presented to Council

REPORT: <https://www.gefio.org/evaluations/scce-biomes>

The Sahel and Sudan-Guinea savanna biomes in Sub-Saharan Africa experience severe deforestation, land degradation, and desertification; biodiversity loss; water quality/quantity threats and threats to inland as well as coastal marine water resources; mining; and natural disasters. The pressing socioeconomic needs of a rapidly growing population compound the challenges at hand. This evaluation covered 453 GEF interventions in the 23 biome countries with a focus on the factors affecting sustainability.

Since its pilot phase, the GEF has invested \$2.48 billion in grants, accompanied by \$16.37 billion in cofinancing, through 794 national and regional

projects in the countries in the two biomes. GEF support has addressed the main environmental challenges through a focus on climate change adaptation. Seventy-eight percent of the climate change focal area support in the two biomes is invested in support to adaptation. Land degradation began to be addressed in GEF-4 through focal area-specific support and continued afterwards mainly through multifocal area interventions. The relevance of GEF support to country needs has not been affected by the GEF's move toward integrated programming and a move toward multifocal interventions is observed in the two biomes. The expansion of GEF Agencies has been a positive development offering countries more choice, more diversity of expertise, and better focal area coverage.

In general, fewer projects in the two biomes—and in Africa as a whole—receive satisfactory ratings in terms of outcomes and their likely sustainability than in the overall GEF portfolio but these results are improving. While 85 percent of multifocal projects compared to an average of 68 percent for those with a single focus undertaken in the biomes were rated as having satisfactory outcomes, only 38 percent were rated as having outcomes that were likely to be sustained.

Demonstrating sustainability takes time. Projects tend to show higher observed sustainability of outcomes at postcompletion than at the terminal evaluation stage. Based on field visits, 14 out of 16 completed projects demonstrated maintained or improved sustainability postcompletion. While it is plausible that, as time goes on, positive context-related factors increasingly come into play as compared to project-related ones, field observations in this evaluation underscored the importance of designing projects with due

consideration to measures that increase the likely sustainability of outcomes. Financial sustainability is an issue in Sub-Saharan Africa overall and is particularly challenging in the biomes in question.

Context-sensitive, technologically appropriate project design positively affects the sustainability of outcomes in these biomes. Design that promotes sustainability takes into consideration a country's socioeconomic and political context as well as local conditions and knowledge, and includes measures and activities designed to support—from both financial and institutional standpoints—the continuation of outcomes postcompletion.

More sustainable outcomes build on environmental and development synergies.

Consideration at design to the influence of synergies and trade-offs between socioeconomic and environmental objectives improves prospects for sustainability.

The evaluation found several examples demonstrating that when alternate livelihood systems with a clear, positive environmental-socioeconomic nexus were in place, the chances of the environmental benefits generated by GEF interventions being sustained was greater. However, not much consideration is given at project design to the influence of synergies and trade-offs between socioeconomic and environmental objectives on the prospects for sustainability in the biomes.

Designing profitable beneficiary-relevant alternative livelihood activities and working with existing institutions to include environmental considerations in local development plans emerged as important project-related sustainability factors in the biomes. Continued operation and maintenance of small-scale infrastructure

depends on costs being within the financial reach of households. Local authorities in Guinea, Guinea-Bissau, and Mali have included environmental conservation activities in their commune and/or municipality sustainable development plans and budgets.

Gender considerations are increasingly incorporated in GEF interventions in the two biomes. Resilience to climate risks is addressed in climate change adaptation projects, mostly in the form of risk management and as a co-benefit. Newer GEF projects, whether funded through the main GEF Trust Fund, the LDCF, or the SCCF, integrate resilience within the respective project's multiple benefits framework. Fragility has affected the timely delivery of GEF support, but the outcomes and sustainability of GEF support in the two biomes have been largely unaffected. The evaluation found several examples where the negative effects of newly emerged fragile situations have tended to be felt less in rural areas; or in relation to activities with a clear and tangible financial viability, and a high correspondence with beneficiary needs.

Strategic Country Cluster Evaluation: Small Island Developing States

STATUS: Presented to Council

REPORT: <https://www.gefio.org/evaluations/scce-sids>

The 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). This evaluation looked at impacts of 25 years of GEF engagement with SIDS.

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.

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, 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.

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

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. 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'état. The situation eventually settled, and the ratings improved postcompletion.

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-level legal and regulatory frameworks and support. The most important project-related positive factors were strong buy-in and sense of ownership among key stakeholders, and their engagement, and good project design and management.

Building sustainability may need an iterative process and takes time. 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 learned.

Evaluation of GEF Support to High GEF Recipient Countries

STATUS: Ongoing
REPORT: <https://www.gef.io/evaluations/recipient-countries>

RATIONALE AND BACKGROUND

This evaluation focuses on the set of countries that have the greatest potential to contribute to the objectives of the multilateral environmental agreements (MEAs) and which have received large funding amounts from the GEF. This evaluation seeks to provide evidence that can help identify ways in which the GEF can continue to engage with these countries in ways that are sustainable and contribute to the objectives of the MEAs. This section presents the preliminary findings of the evaluation. The final report will be presented September 2021.

The countries included in this evaluation are Brazil, China, India, Mexico, and South Africa, which will be referred to as middle-income countries with the most GEF financing (CMF) in the rest of this paper. These countries as a group received over \$7 billion (27 percent) of total GEF funding since the GEF Pilot Phase. These five countries have also contributed over \$54 billion (7.8 times the amount received in GEF grants), which represents nearly 40 percent of the total cofinancing reported by GEF projects to date (\$138,909m). The average outcome and sustainability ratings of the project portfolios in these countries are

higher than the respective GEF portfolio averages (table 5.1).

TABLE 5.1 Percentage of country projects with outcomes rated in satisfactory/likely to be sustained ranges

Country	Outcome	Sustainability
Brazil	80	65
China	93	80
India	79	56
Mexico	88	77
South Africa	83	67
All others	78	55

SOURCE: GEF IEO terminal evaluation data set 2020.

While difficult to quantify, and not diminishing the achievements in other countries, the payoffs to GEF investments in these five countries have been significant. These countries have contributed to the reduction of pressures on the environment through the expansion of protected areas, the reduction of forest loss and the gradual shift to less energy-intensive economies. The GEF, in conjunction with other national and international actors has made important contributions to many of these achievements. The extent and areas of GEF contribution have varied depending on the conditions and priorities in the different countries.

PRELIMINARY FINDINGS: GENERAL

Legal framework, policy, and institutional capacities. In the last 30 years these GEF CMF countries have made major strides to put in place the policy and institutional frameworks to promote sustainable development and contribute to the objectives of the MEAs. They have also developed a robust foundation of policy, legal and regulatory frameworks, institutional capacities,

and human resources that support the transformation to more sustainable economies and societies. The GEF, in conjunction with other national and international partners, has made important contributions to many of these achievements. For example, the GEF's and other donors' support to the Amazon Region Protected Areas Program (ARPA) in 20 years of operation now covers 30 percent of the Amazon. In China and India, GEF has also made major contributions in the expansion of the global green cover. The GEF has also helped some of these countries in the biodiversity management in landscapes and in the introduction or expansion of payments for ecological services. In climate change, these five countries have put in place legislation and regulations to curtail greenhouse gas (GHG) emissions and, with GEF support, have developed robust institutions that are generating knowledge to help reduce and track GHG emissions.

Innovation and scaling up impacts. These five countries have also made major contributions to the objectives of the MEAs, and the objectives of the GEF, through their leadership in the testing and adoption of innovations that are subsequently used as models for other countries. For example, the Brazilian ARPA model has been expanded to encompass most of the countries in the Amazon region. In China, GEF facilitated market transformation for electric/hybrid and fuel cell-based mobility technologies. Fuel cell technologies are now much cheaper and are being commercialized in China with GEF support and through other independent projects. The GEF also supported the design of the Metrobus in Mexico City which has since been used as a model to help address public transportation challenges in other large cities in Mexico and in other countries. South Africa has also provided models for biodiversity protection

that have been adopted in other countries in Southern Africa.

Multisectoral engagement, partnership and financial mechanisms. Most successful environmental solutions being tested and upscaled in this set of countries have succeeded in incorporating GEF's approaches to sustainability. Many GEF-supported projects have succeeded in bringing together government entities from different sectors, private companies, NGOs and communities to work together toward a common goal. For example, through the China Integrated Ecosystem Management (IEM) Drylands project, IEM principles were mainstreamed into provincial, state, village and township planning systems. In Brazil, multistakeholder committees have also been created or consolidated for the management of river basins or protected areas. This is the case of the São Francisco river basin committee which includes representatives from federal, state, and municipal governments as well as representatives from local associations, NGOs, academia, and the private sector. The GEF-supported National Biodiversity Fund (FUNBIO) in Brazil and the Mexican Fund for the Conservation of Biodiversity have been highly successful in attracting long term funding for protected areas and are models for environmental funds worldwide. In 2015 FUNBIO has become an accredited GEF Agency.

Participation in the MEAs. All five countries have been key participants to the MEAs. They have all hosted conferences of the parties (COPs) of more than one MEA and made important substantive contributions during COPs deliberations and also have assumed a leadership role among the countries in the global South. Several countries reported that GEF financial assistance in the communications to COPs has been important to the development of related country capacities.

PRELIMINARY FINDINGS: CHALLENGES AND OPPORTUNITIES

While this set of countries has made considerable progress toward setting the foundations to help steer their development trajectories toward sustainability, many challenges remain given the highly dynamic conditions involved. For example, countries have adopted targets such as nationally determined contributions (NDCs), but new evidence indicates that global climate change targets need to be more stringent and require more ambitious NDCs in both developed and developing countries. Also, while countries have set aside for protection large portions of territories, there is a need to improve the effectiveness of protection, to ensure that protected territories target biodiversity of high value, and to further mainstream biodiversity management in the economy and across the territories beyond protected areas.

There are also broader contextual factors that can potentially influence the role of GEF in these countries. The evolving global architecture of green financing is changing. The Climate Investment Funds (CIF) and the Green Climate Fund (GCF) have expanded the funds available to countries to address the objectives of the MEAs. Given the capacities developed over the last few decades, these countries are well positioned to tap into such funds.

The following are the key challenges shared by these countries and potential opportunities for the GEF to support them in meeting and strengthening their commitments to the MEAs.

- **Addressing short term country needs while pursuing long term global environmental objectives.** This challenge is not new, but it has become increasingly prominent in recent years and has acquired higher levels of

urgency in the context of the COVID-19 pandemic. Like other middle-income countries, the five countries face what the World Bank refers to as unfinished development agendas, which increases the risk of them being trapped in middle-income status if key issues pertaining to economic, social, and structural transformation are not addressed. Governments face the challenge of allocating their resources to address multiple needs and objectives, some of high urgency. For example, the five countries have identified energy self-sufficiency as a high national priority. The energy needs projected by these countries are such that given the current technological trends and the expected production and demand, these countries see a need to continue investing in fossil fuels during a transitional period while consumption practices and new technologies can help meet the country energy needs.

- **The GEF typically interacts with the five countries at the onset of each replenishment period to identify areas of GEF support.** The extent to which these interactions identify strategic interventions vary from country to country and from one focal area to another. Nevertheless, these are precedents which present an opportunity for the GEF to support countries to develop strategies for specific country objectives related to the MEAs which also address specific short-term country needs. In GEF 7 for example, the GEF Secretariat and China identified several projects to help China test models of pathways to a zero-carbon economy. One of such projects aims at developing zero carbon models that use a variety of instruments to meet the energy needs of rural villages and towns.

- **Sectoral and fiscal policies that are not coherent with, or that hinder environmental gains.** The competition for resources between the multiple needs mentioned above is a factor contributing to policies that are not coherent. These problems are relevant not just to these five MICs or MICs more broadly, but in fact are common to many countries, across a range of income categories. Like other middle-income countries, these countries have robust ministries of finance and some have planning ministries which provide oversight on the development of policies, the allocation of the national budget and determine subsidies. This provides an opportunity to work with such ministries to address challenges related to policy coherence.
- **Robust capacities at the central level that contrast with a diverse range of capacities at the provincial and local (city/municipal) levels.** Interviews with country stakeholders mentioned this as an important challenge that can constrain how fast and where change can take place within the country. The public administration systems in the five countries delegate responsibilities and authorities among state and local governments. Typically, services such as public transportation, urban services and enforcement of environmental regulations are often responsibilities of state or local governments. While countries have robust capacities at the central level, capacities in provinces and cities vary greatly. These diverse conditions require to test approaches to engage different levels of government in ways that can coordinate interventions across levels of government. Provincial and city governments are have become increasingly responsive to public concerns on the environment. Given the large size and existing capacities in some provinces or cities, as part

of the policy dialogue with these countries, GEF could explore the possibility to work with provinces and cities.

- **A business community with widely diverse interests in the environment.** The private sector is key because it drives business decisions steering the economy. There are important differences on the extent to which different segments of the private sector internalize environmental, social, and governance (ESG) in their operations in these countries. Depending on the sector, international firms and corporations are sometimes more supportive of environmental standards. They also compete at a global level or and more receptive to the signals of the market to remain competitive, such as the need to adopt more energy efficient and less polluting technology. On the other hand, SMEs, which are a significant part of the private sector In these countries, are often not as exposed to consumer scrutiny and given their large numbers are also more difficult to supervise by environmental authorities. This often results in lower incentives to adopt ESG standards. Nonetheless SMEs participating in the supply chains of multinational corporations promoting ESG in these countries have strong incentives to adopt social and environmental standards. Value chain approaches offer opportunities to link MSMEs with international players while promoting sustainability.
- **Engagement with global financial markets to support and leverage green funding.** On the one hand financial institutions continue to finance environmentally harmful investments. A recent report indicates that 60 of the largest global banks have financed 3.8 billion dollars to fossil fuel investments since

the Paris Agreement.¹ Some of these banks also claim alignment with the Paris agreement. On the other hand, in the last few years and increasingly during the COVID-19 pandemic ESG funds have expanded their assets and have made inroads into emerging markets. While this expansion opens opportunities to finance environmentally and socially sound development, it also represents a challenge to develop the appropriate mechanisms to channel resources where there are most needed, particularly with respect to the relatively small size of operations that need to be funded. To address this constraint, the GEF could explore the extent to which the national funds could be further strengthened to aggregate projects and work with interested ESG global funds. One example is the GCF investment in the KawaSafi Ventures Fund in East Africa to promote off-grid solar power system.

Evaluation of the GEF Country Support Program

STATUS: Completed; to be presented to Council June 2021

REPORT: <https://www.gefio.org/evaluations/csp>

RATIONALE AND BACKGROUND

The Country Support Program (CSP) is a GEF-funded corporate program with the objective of providing recipient countries with assistance and capacity building to make better use of the resources available through the GEF, including support for programming. The primary goals of the CSP are: (1) to provide flexible support to countries, particularly their focal points, to build

capacity to work with the GEF Agencies and Secretariat in order to set priorities and to program GEF resources, and (2) to enhance inclusive dialogue and improve coordination between ministries and stakeholders at the national level and to facilitate input from key nongovernmental stakeholders. CSP is funded completely from a special allocation in the GEF Secretariat budget decided by the GEF Council.

The CSP was established in 1999 and underwent a major reform in 2010, when all of the GEF's country support activities –previously managed by different GEF Agencies²—were integrated into one program under direct GEF management. During the past decade, CSP core activities have evolved to include the following: Introduction Seminars, National Dialogues, Expanded Constituency Workshops (ECWs) and thematic workshops, Constituency Meetings, and Pre-Council Meetings of Recipient Council Members. Two additional components (the knowledge facility and direct support to operational focal points) were discontinued in GEF-6, while National Portfolio Formulation Exercises (NPFEs) were merged with National Dialogues in GEF-7.

Since 2011, the CSP has organized 320 events with 15,585 participants and has provided support for 75 NPFEs in GEF-5 and GEF-6. In addition, more than half of the National Dialogues were requested by SIDS and LDCs; there is also a clear trend of LDCs taking greater part in regional CSP events. Due to the COVID-19 pandemic, in 2020 the decision was made to move all events on-line and the Stakeholder Empowerment Series (SES) was launched in the fall of that year with seven webinars. The total budget allocated to the CSP

¹ Rainforest Action Network, 2021, [Banking on Climate Chaos](#).

² UNDP and UNEP managed different components of the program.

for these activities during GEF-5, GEF-6, and GEF-7 amounts to \$70 million.

The purpose of this evaluation is to provide insights and lessons regarding the CSP and its services. The evaluation assessed the relevance, coherence, effectiveness and efficiency of the CSP by using a mixed-methods approach.

KEY FINDINGS

The CSP has been responsive to the evolution in GEF strategic directions and programming strategies. These have helped shape the agenda and activities of the CSP, ensuring its ongoing relevance for GEF stakeholders. The CSP has consistently integrated evolving GEF Strategic Priorities and changes in GEF policies into the overall focus and design of the CSP as a whole, events, and subject matter of CSP activities in order to remain relevant to its stakeholders. Global environmental concerns and Council priorities have also been consistently taken into consideration. Communicating the changing requirements of the GEF and facilitating dialogue between increasingly diverse participants is a key reason why the CSP remains so relevant.

The CSP contributes indirectly to helping countries with greater access to GEF resources and is one element feeding into the development of GEF country portfolios. The CSP is a key mechanism used to coordinate and align GEF resources with national priorities and to facilitate the development of the GEF country portfolios for each GEF cycle, as it helps set up the enabling conditions and develop basic capacities that allow for the engagement of focal point offices and other GEF stakeholders. How the CSP is used to enhance access to GEF resources differs according to the institutional capacity of countries, with LDCs,

SIDS and lower middle-income countries looking more so toward the CSP to assist with project development and accessing GEF resources, while middle- to high-income countries see the CSP as providing information on GEF policies and priorities.

The CSP has made some efforts to coordinate and build synergies with other global environment funds such as the GCF to ensure that funding is effectively allocated to implement environmental conventions. Building a formal memorandum of understanding is challenging as the governance structure of funds and the scope of their engagement process are different and not always well coordinated by the countries themselves.

The CSP does not have a theory of change or logical framework, nor a strategy or plan to guide its operation. Some activities, such as ECWs, are carried out routinely, while others, such as National Dialogues or Constituency Meetings, are implemented at the request of GEF focal points or Council Members. The CSP is demand-driven and does not approach capacity development as a continuous process at country level.

Inclusiveness and diversity of participants in CSP events has increased over time but still vary greatly between countries, constituencies and events, but does not extend beyond CSP events. CSP events have facilitated stakeholder inclusion by creating a safe space where different actors can share their perspectives and experiences. In some cases, this inclusive dialogue has positively influenced the project pipeline and helped strengthen partnerships. The CSP has progressively financed more CSOs, and women have represented about one-third of all participants in events on average during the three GEF cycles,

The participation of GEF focal points in GEF projects both as executing partners and in cofinancing has decreased over time. Private sector participation in national dialogues is overall low and practically nonexistent in ECWs; indigenous peoples' organizations and local governments were included when relevant to the geographic and thematic focus of the CSP event. As for GEF Agencies, their participation has generally decreased so far during GEF-7. Participation in CSP activities does not translate into further dialogue between CSOs and focal point offices, nor in the inclusion of CSOs in activities on the ground after CSP events.

The CSP effectively shares knowledge on the GEF with stakeholders, but retention of information, reach within countries, and South-South exchange remains suboptimal. The CSP is the primary tool used to provide updates to country stakeholders on new GEF policies, priorities and strategies. In particular, ECWs have been key in this CSP role and include more comprehensive information and to present it in a more interactive manner. The information and resources provided by CSP events is seen as satisfactory or highly satisfactory by participants. Information retention on GEF policies and procedures appears to be low among participants beyond operational focal points, and a number of barriers to applying CSP-acquired knowledge and skills in the development of country pipelines is still present, notably the need for a broader reach of GEF information and capacity building within governments and to other country stakeholders such as CSOs and local actors.

The CSP has contributed to increasing the capacity of the countries to apply for GEF funding in a strategic and coordinated manner, contributing to programmatic efforts that help countries

access GEF resources. In particular, by promoting country ownership and helping countries match national priorities with GEF priorities, alongside other programming processes facilitated by the GEF Secretariat. National Dialogues and the NPFEs have helped countries be more systematic in their planning on GEF resources. Countries with a high level of capacity, value the CSP resources for better linking predefined national priorities to GEF priorities. Some LDCs, SIDS and lower middle-income countries, on the other hand, confirm that CSP events have helped bring people together to shape national priorities including prioritizing project activity and intervention zones.

The CSP has contributed to increasing country involvement in the GEF process, but some LDC, SIDS and lower middle-income countries still depend heavily on GEF Agencies. The CSP has helped increase country ownership and empowerment vis-a-vis GEF Agencies by helping country governments and operational focal points play a more active role in GEF programming and project execution. Some countries with lower institutional capacity continue to depend heavily on GEF Agencies while some higher-income countries that have been empowered through the CSP now experience tensions in their relationship with GEF Agencies, regarding their respective roles.

The quality of CSP support is satisfactory and day-to-day communications are timely, with the exception of the timing of the National Dialogue which is not viewed as optimal by some countries. Recipient countries express a high level of gratitude for the services and the support that the CSP provides; in particular in relation to the open access to and direct line of communication with CSP staff and GEF staff when needed. Activities are generally seen as being well organized

and event material is clear and concise and generally. However, the timing of National Dialogues, which are not hosted until the new GEF cycle commences, often results in competition for CSP support between recipient countries.

The resource envelope for the CSP is underutilized, and monitoring and evaluation information is incomplete preventing a full efficiency analysis. The CSP is more than adequately funded each replenishment cycle. Given its important role in the suite of GEF programs, the CSP could operate more efficiently; most particularly this relates to the staff capacity within the CSP and its access to localized support. The CSP team would benefit from strengthened IT, financial and monitoring and reporting expertise and additional staff with time dedicated fully to the CSP to help manage the program as most staff have other responsibilities within the GEF Secretariat. In the absence of complete budgetary data, the efficiency assessment is thus partial.

Lessons learned and feedback from CSP events has provided input that has contributed to shaping some GEF policies and strategies. It is commonly agreed that ECWs, Constituency Meetings and Pre-Council Meetings of Recipient Council Members have all emerged as important

platforms for providing feedback from stakeholders. A few GEF policies such as the GEF Policy on Stakeholder Engagement, and the Project Cancellation Policy benefited from such feedback.

CSP events provide an important platform for engagement and knowledge sharing between stakeholders, but a few challenges remain.

The knowledge and learning days at ECWs, Constituency Meetings and National Dialogues are important platforms for the exchange of lessons learned and engagement between stakeholders. There are, however, also challenges on sharing lessons learned across countries such as matching constituencies with the same language, engaging with underrepresented groups such as the private sector and incorporating South-South learning. There is some resistance to sharing potential lessons learned that may portray a project or stakeholders in a negative light. Overall, so far the experience has been positive.

6 GEF support to innovation

From the outset, the Global Environment Facility (GEF) was expected to be innovative in multiple ways. In its governance, as illustrated by stakeholder engagement. In its strategy, as most recently indicated by the integrated approaches. And foremost in its selection of projects, to include demonstration of new technologies, testing of new business models, introduction of policies new to a country or region, and institutional reforms. As a relatively small player in global financial terms, the impact of the GEF's innovative efforts depends on careful monitoring, the effective evaluation of results, when necessary, learning from failure, and the communication of outcomes to inform other public and private decision makers with the ability to replicate and scale.

Innovation may never have been more important in the GEF than it is today as developing countries respond to multiple, interconnected threats from COVID-19, debt burdens, and the climate and nature crises. GEF is well positioned to contribute to the emphasis on greening the recovery and building back better. And while the challenges are great, the potential for innovative solutions to global environmental problems may also never have been greater. Renewable energy technologies are now less expensive than fossil fuels in most markets. Applications of artificial intelligence, satellites, and high-speed data processing are creating new means of tracking and communicating environmentally critical information. And the financial sector is increasingly responsive

to the need to redirect investments toward sustainability. Collectively, these developments have been termed the “fourth wave of environmental innovation.”¹

Innovation in the GEF

STATUS: Ongoing

REPORT: <https://www.gef.io/evaluations/innovation>

RATIONALE AND BACKGROUND

This ongoing evaluation assesses the GEF's efforts in supporting innovation, the factors that have influenced innovative interventions, and identifies lessons for GEF-8. For the purpose of this evaluation, innovation is defined as “doing something new or different in a specific context that adds value.” In line with recent reports of the GEF's Scientific and Technical Advisory Panel, five types of innovation are identified: technology, finance, business models, policy, and institutional.

Expectations that the GEF will be innovative have been a recurrent theme throughout its history. The concept of the GEF as a dedicated funding mechanism in response to global environmental problems was seen as innovative by early negotiators. As noted in the independent evaluation

¹ Environmental Defense Fund, “The Fourth Wave: A quick history” web page, <https://www.edf.org/approach/fourth-wave/quick-history>.

of the pilot phase, “Innovation was to have been a major factor in the selection of GEF activities. In the GEF context, innovation has been liberally interpreted to include any technology that had not been used in any developing country or in the developing country in which the technology was being introduced. This feature should be one of the distinguishing features of the GEF, with further definition, examples, and dissemination.”² Even at this early stage, some challenges to innovation were recognized, including disincentives within the implementing Agencies for projects that might require more preparation time and have greater risk.

While frequent references were made to innovation over time in various evaluations and policy documents, the term has been used with respect to governance (stakeholder engagement), operational modalities (the Small Grants Programme and the Integrated Approach Pilots), as well as project strategies, designs, and instruments. The innovative label has been consistently applied to the support of new technology, and almost as consistently with reference to financial instruments, removal of policy barriers, new business models, and in a somewhat cross-cutting category, support for institutional reforms. Notably, to be innovative does not necessarily require action that is entirely new or untested; often the issue is lack of experience in a country or region, or an application in some new circumstance. Changes in the GEF strategy were also sometimes characterized as innovative, for example, the shift from buying down the capital cost of new technologies to more emphasis on market development (scale-up) and replication and greater emphasis on partnerships with the private sector to improve prospects for commercial sustainability.

² GEF, 2003, “[Independent Evaluation of the Pilot Phase.](#)”

More recently, the GEF 2020 Strategy highlighted a greater need for the GEF to support innovative and scalable activities to address the drivers of environmental degradation. The strategy suggested several models for GEF projects, including demonstrating innovative approaches and deploying innovative financial instruments to help de-risk investments by others. The 2020 Strategy also referred to Integrated Approach Pilots as the GEF’s institutional innovation to identify the most effective ways to reach a higher impact and scale. In addition, the programming directions for each focal area referred to innovative approaches with respect to solutions in many forms—technologies, management practices, policies, strategies, financial tools, and partnerships.

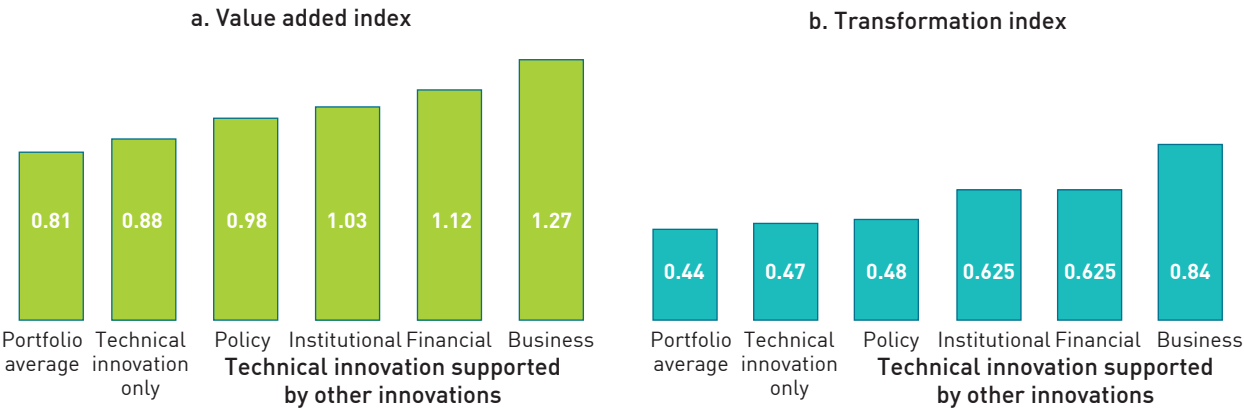
The GEF-7 Strategies and Programming Directions (2018–2022) refer to the GEF’s comparative advantage in being an innovator, incubator, and catalyst while actively seeking to effect transformational change. The focal area strategies include their own plans to foster innovation, and the Impact Programs are designed to promote and support more innovation. The Impact Programs aim to support combinations of innovations, achieve breakthroughs, and emphasize the importance of knowledge sharing and cross learning through various platforms.

PRELIMINARY FINDINGS

Innovative projects achieve better outcomes (higher value added or even transformational change) when different types of innovation (technical, financial, business, policy, and institutional) are combined (figure 6.1).

Technical innovations supported by policy reforms, institutional reforms, or innovative business models increase the likelihood of

FIGURE 6.1 Innovative projects: value added and likelihood of transformational change by innovation types



NOTE: The value-added index is a normalized simple average of the combined six dimensions of value added: quality, scale, replicability, sustainability, knowledge and learning, and enabling environment. The transformation index is a normalized simple average of the combined four dimensions of transformational change: relevance, depth, scale, and sustainability. The two indexes are on different scales and hence are not comparable.

transformational outcomes. For example, the Environmentally Sound Management and Disposal of Obsolete POPs Pesticides and Other POPs Wastes project in China (GEF ID 2926) adopted an integrated approach, where state-of-the-art technical innovations (such as cement kiln co-processing of persistent organic pollutants—POPs) were supported by policy and institutional innovations, including new regulations and incentives to firms to enable the technologies’ uptake and a country-wide scale-up. The project has also developed business models for technology transfer. By its completion, the project helped China eliminate a larger amount of POPs than was expected at project design, specifically exceeding the pesticide elimination target 5 times, the target amount of fly-ash dioxins 3 times, and the target amount of fly ash 80 times.

Similarly, the project the Watershed Approach to Sustainable Coffee Production in Burundi (GEF ID 4631) combined several innovations in an integrated design. The main innovation was in replacing the unsustainably produced sun-grown

coffee with higher market value shade-grown coffee, which does not require tree removal and therefore is not associated with land degradation and biodiversity loss. This technical innovation was supported by several other innovations: business models, policies, and institutional (community engagement). Business innovations involved developing links to high-value coffee markets. Supporting policies included developing regulations regarding the environmental standards for the coffee washing stations. Community innovation was in integration of the indigenous Batwa community into the planning and management of the Burundi Natural Forest Reserve. As a result, the project broke the unsustainable monoculture of sun-grown coffee which has been predominant in Burundi since colonial times, enabled farmers to increase the revenue while enhancing the ecological value of the land resources, and had a scale-up effect. Importantly, the project changed the mindset in the central government and of local officials who recognized the advantages of a sustainable shade-grown coffee system.

The presence of technical innovation by itself does not increase the likelihood of transformational outcomes and might even be associated with a project's failure to achieve its objectives in full. For example, the Irrigation Technology Pilot Project to Face Climate Change Impact in Jordan (GEF ID 4036) introduced new irrigation technologies to allow for water-efficient agricultural practices and improve agricultural outputs. The project prioritized technologies but did not support them with policy, institutional, or financial innovations. The project did not consider the socioeconomic characteristics of the target population group—poor smallholder farmers. As a result, the target population ended up being excluded as the required 25 percent self-financing was not affordable to them.

Another powerful combination is the presence of both financial and business innovations in the same project. The Sustainable Land Management in the Semi-Arid Sertão project in Brazil (GEF ID 2373) was designed to incentivize sustainable land management at the community level by linking producers to markets, developing long-term funding facilities, and catalyzing long-term financing from various sources, including state and federal government, private sector, and nongovernmental organizations. The project introduced a combination of innovative business models and financial innovations. The project estimated market potential; identified market outlets for indigenous and organic products; and trained the farmers to produce for and sell in those markets. The project was exceptionally successful with its financial innovations. First, a new sustainable environmental fund, Social and Productive Investment Fund (Fundo de Incentivos Ambientais or FISP Ecológico) which was important in achieving the project's objectives and a scale-up, was created. Second, the project attracted significant interest

of private, government, and multilateral development bank investors in financing the scale-up of the project technologies. It was estimated that in 2008–13, total funding amounted to about R\$65 million.

Another example of strong outcomes is in projects where innovative business models are supported by policy innovations. For example, in the Cape Agulhas Biodiversity Initiative (GEF ID 1055), one of the main components of the project was aimed at creating a new market for sustainably harvested wildflowers (an important industry in South Africa) through creation of a certification system and restructuring of the supply network. To guide sustainable harvesting, the project developed a code of practice, and a vulnerability index for 71 harvested species and 79 species with harvest potential. The provincial ordinance guiding flower picking was amended as a result of the project to include a reassessed and updated list of vulnerable species, and a certification system was created. The permit system for species to be harvested was revised, and technical information garnered has enabled the species list for harvesting to be updated. The project made cutting-edge progress in flower harvesting, establishing standards, and developing flower markets. The outcomes were sustainable, the markets have developed further since the project closure and were viable even during the COVID pandemic. Flower Valley now provides a leading example of how to develop the regulation to support the sustainable use of a new product like fynbos harvesting.

Projects that combine technical, financial, and business innovation have better outcomes associated with innovation in terms of a higher value added and transformational change. Policy and institutional innovations are valuable when they

play a supporting role, more so to technical or business innovations.

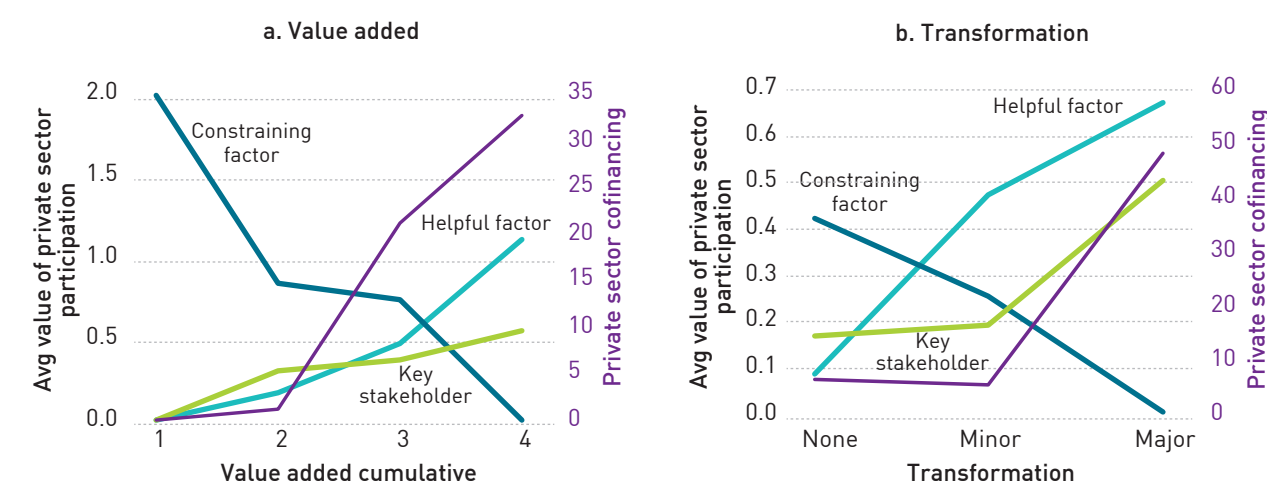
Projects involving the private sector tend to deliver greater value added (cumulative). They are also most likely to lead to transformational change (figure 6.2). When the private sector is engaged as a source of innovation, it can also reduce risks, and provide support to scaling up and sustainability. Multistakeholder alliances that involve the private sector support innovation and tend to lead to sustainability. In India (SLEM/CPP: Sustainable Rural Livelihood Security through Innovations in Land and Ecosystem Management, GEF ID 3470), the private sector was keen to commercialize and scale up technologies. The technologies developed by the project were sufficiently attractive for the private sector that they purchased licenses to use these technologies. In Mexico (Introduction of Climate Friendly Measures in Transport, GEF ID 1155), the project brought on

broad small technology companies as drivers of technology development and transfer.

Among the key implementing factors positively associated with the greater value added of innovative projects and higher likelihood of transformational change are the following:

- Learning and knowledge activities, capacity, and awareness building
- Plans for scaling-up or replication, exit strategy; availability of financing for sustaining, scaling-up, or replication
- Use of incentives, combining socioeconomic incentives with environmental goals
- Adaptive, flexible project management
- Champions and ownership across stakeholder groups
- Private sector participation

FIGURE 6.2 Innovative projects and private sector involvement: value added and likelihood of transformational change



NOTE: Three variables are positively associated with innovation outcomes: involvement of the private sector as a key stakeholder, realized cofinancing from the private sector, and private sector participation as a helpful factor. When a project fails or finds it difficult to engage the private sector (indicated here as "private sector participation as a constraining factor"), it reduces the value added of innovation and decreases the likelihood of transformational change. Private sector cofinancing shown is actual at completion.

Factors that constrain or reduce value added of innovative projects and the likelihood of transformational change are similar to the above list—the absence of learning and knowledge activities, the absence of plans for sustaining and scaling have a negative role. In addition, the lack of sufficient stakeholder participation and the absence of a supportive policy and regulatory environment have a constraining effect on the value added and transformational change.

Discussions of innovation are frequently accompanied by statements about the greater associated risks. A 2018 paper by the GEF Scientific and Technical Advisory Panel asserts that “the key issue for innovation in the GEF is risk... it is therefore important to question and assess at the strategic level what would be a desirable and acceptable levels of risk in different areas of the investment portfolio. This could involve setting targets for success, recognizing that some innovations will fail.”³ Conversely, acceptance of a higher failure rate of completed projects has been cited as a means of achieving greater impact. “Although such approach would increase the number of failures, OPS5 affirmed that internationally 25 percent failure rate was acceptable for innovative interventions and programs.”⁴

A recent review of the role of the GEF and other donor-supported climate finance in World Bank operations concluded that “Climate-related trust funds remain a vital source of risk-inclined funding to support Bank strategies, whether through grants or concessional blended finance instruments. Many sectors, technologies, and markets remain beyond the acceptable risk/return profile

of private investors, carbon markets, and even development finance institutions. The ability of the Bank to access a limited pool of capital that is more patient and can bear higher risks has been, and will continue to be, valuable to delivering on the Bank’s climate strategy and goals.”⁵

While many projects identified as innovative in this evaluation and more generally in the literature are higher risk than the overall GEF portfolio, there are others that come within the definition of the term but that are not typically categorized as high risk. For example, projects that introduce commercially proven technologies, financial instruments, or business models new to a country or market have risks of market acceptance and sometimes needed policy reforms but if implemented with strong country support would not typically be categorized as high risk. The World Bank and International Finance Corporation (IFC) projects financing energy efficiency introduced a significant new instrument but were never thought to be high risk once public and private banks were identified with a willingness to participate. The measures were all fully proven and commercially available, and by directing funds to existing Bank clients the risks of default were expected to be low.

Some projects approved as demonstrations or pilots were understood to have higher risks; the objective was to test concepts for possible replication and scaling, or if unsuccessful, to learn from failure. This philosophy was evident in the 2013 Independent Evaluation Group review of the World Bank’s partnership with the GEF. The report describes IFC’s biodiversity projects as

research and development projects and incubators for financially risky approaches to be tested and replicated if successful. Although these have generally been less successful in achieving their particular objectives of developing commercial markets for selected biodiversity services, their lower outcome ratings may reflect the naturally higher failure rate of high-risk ventures.

By and large, the GEF provides a framework to enable key stakeholders to work together and experiment with creative solutions to long-standing and emerging issues. The general dynamic seems to be that the demand for innovation is driven by local needs and commitments by international organizations.

The GEF’s comparative advantage lies in its established willingness to provide grant funding in support of innovation and adaptively manage some of the attendant risks.

The GEF’s willingness to accept the risks associated with supporting innovation is perceived as comparable to that of other multilateral donors, but it has been more flexible in supporting adaptive management to take on these risks.,

Nevertheless, there have been missed opportunities—where the GEF was well positioned to support innovation, but for some reason did not. Most of these reasons appear to derive from constraints imposed by the GEF’s project screening practices, its approach to the allocation of funds, as well as its criteria for defining innovation.

Many potential innovations require a minimum scale to be feasible for effective piloting. This makes it challenging to promote innovations in small countries, or where (Resource Allocation Framework and System for Transparent Allocation of Resources—STAR) processes have

encouraged smaller allocations among a greater number of Agencies. The STAR tends to encourage Agencies to work with a single ministry to advocate for their share. This makes it difficult to support multisectoral innovative approaches that require the collaboration of several ministries.

It can be difficult to get GEF support for income-generating innovations that only indirectly support conservation. To enhance opportunities to support conservation-related innovations, it would be helpful for the GEF to broaden its concept of what is a conservation-related activity.

Innovation is not always a cutting-edge technology but can be an execution arrangement that will help the intended beneficiaries to better absorb the technology, and to demonstrate and replicate it. Some missed opportunities arise from the Agencies’ lack of recognition of the importance of adaptive execution arrangements, especially with traditional communities and indigenous populations.

The GEF needs to continue supporting innovation. There are multiple reasons why GEF needs to continue to support innovation. First, there is absence of technologies to meet global environmental needs. The projects need to overcome limited capacity and resources in recipient countries to invest and develop such technologies. In addition, policy reforms may introduce regulations or institutions new to a country. Innovative financial instruments may increase impact and promote market transformation.

There is also an increasing interest in the growth of green investing and the prospect of attracting large private investments through the GEF funds for de-risking of projects. The potential for financial leverage and partners has steadily increased with the growth in environmental and

³ GEF STAP, 2018, “[Innovation and the GEF](#),” GEF/STAP/C.55/Inf.03.

⁴ GEF IEO, 2014, [OPS5 Final Report: At the Crossroads for Higher Impact](#).

⁵ World Bank, 2020, *Accelerating and Innovating Climate Action: A Retrospective of the World Bank’s Experience with Select Climate and Carbon Trust Funds* (Washington, DC: World Bank Group).

social investments in the financial community. The financial world has also been a resource of innovation with respect to financial instruments, business models, and strategy.

Yet another rationale for innovation is the need to respond to new problems, or new scientific understanding of problems.

Finally, innovation can be closely related to experimentation and learning.

Growing opportunities for partnerships with innovation support programs. Many development finance institutions including GEF Agencies, have some dedicated entity for higher risk, early stage investment projects. While their objectives, selection criteria, and thematic focus vary, they offer growing opportunities for partnerships with access to larger public and private resources for further replication and scaling. Selected examples include: IFC TechEmerge, the European Bank for Reconstruction and Development early innovation facility, Asian Development Bank Ventures, the Inter-American Development Bank Lab, and the African Development Bank Seed Capital Assistance Facility.

Philanthropies and environmental organizations have also become more actively engaged in support for early-stage technology with promise for achieving significant environmental benefits. While energy and climate change have received the largest share of investment, there are also initiatives addressed to biodiversity and ocean conservation including the Nature Conservancy's NatureVest; Conservation International CI Ventures; and WWF Impact Ventures. Within the nonprofit community, there are also funds with broader social and development objectives such as the Global Innovation Fund and OneAcreFund with portfolios that include GEF relevant projects.

It may also be time for the GEF to take a fresh look at breakthrough technologies. The GEF has a long history of supporting innovative technologies premised on learning curves and driving down production costs through economies of scale and innovation. While GEF support for innovative technologies has shifted more toward support for replication, market development and scaling, private sector-led initiatives indicate a need for a fresh look at the opportunities in this approach. One example is the Gates Breakthrough Energy Coalition, established to promote investment in breakthrough energy innovation based on four criteria: climate impact, the potential to attract capital, scientific merit, and filling gaps. The coalition distinguishes its approach from both traditional public sector support and private sector technology investors and seeks "a different kind of private investor who is willing to put truly patient and flexible risk capital to work in service of a long-term commitment to new technologies."⁶ The existence of an organization of private investors with this philosophy suggests it may now be possible to address some of the earlier barriers to projects aimed to buy down capital costs to accelerate commercialization of technologies, particularly the need to engage with the private sector and to mobilize much larger sources of risk capital.

EMERGING CONCLUSIONS

Overall, the GEF is well positioned to continue supporting innovation, but a few suggestions for consideration follow:

- **It would be helpful for the GEF to more clearly signal its willingness to help**

⁶ Breakthrough Energy Ventures, "[Investing in Innovation](#)" web page.

countries bridge the gap between the conceptualization, piloting and demonstration of innovative ideas, and their eventual scale-up and replication. This should open up more opportunities to support transformative innovations and respond to the new environment with its interconnected threats from zoonotic diseases, debt burdens, and environmental challenges.

- **In relation to the above, it would be useful for the GEF to more clearly communicate its tolerance of risks.** Innovations involve risks for Agencies, countries, and other implementing partners. Preparation, supervision, and implementation of interventions with innovative and less proven elements require additional incentives and capacity, such as in the form of access to technical expertise, analytical work, more time for supervision. The above issues would require discussion with the GEF Council.
- **In monitoring and evaluation, it may be helpful to introduce indicators to understand risk aversion better and distinguish between different reasons for failure.** These reasons include failure due to doing something new; failure due to working in a difficult area (e.g., wildlife poaching); failure due to mismanagement and mistakes in project design. New technologies and analytical methods (e.g., geospatial monitoring, artificial Intelligence) are enhancing the quality of monitoring and evaluation and further contribute to the GEF's operations, oversight, and measurement of benefits. Some case studies of this evaluation provide examples for the GEF to learn and replicate where applicable. For example, in the Western and Central Pacific fisheries case (GEF IDs 530, 2131, 4746), one of the main technical innovations was strengthening

the vessel monitoring systems and its use for monitoring, control, and surveillance, utilizing a satellite-based geospatial vessel tracking platform. This platform was the world's largest international satellite-based vessel tracking program at the time of project closure (Pacific Islands Oceanic Fisheries Management Project, GEF ID 2131).

- **In the context of the GEF, innovation would need to be "fit for purpose" serving the interests of countries in their obligations to the environmental conventions and in generation of global environmental benefits.** This does not necessarily mean the latest technology, and it can also include the use of a well-established approach in a new area, or execution arrangements to help with better adoption of technologies, e.g., models of engagement with farmers, which can be instrumental for the success of the project.
- **Innovations achieve better outcomes when different types of innovation are enabled and made sustainable by combining socioeconomic incentives and environmental benefits.** Innovations also need to be supported by the use of knowledge management and capacity-building activities, empowering champions, ensuring ownership across stakeholder groups, and provisions for sustainability, replication, and scaling up of outcomes (including sustainable financing). Technical, financial, and business model innovations tend to generate greater value added and more likely to lead to transformational change. The likelihood of successful outcomes increases when these innovations are supported by other innovation types.
- **It would be useful for the GEF to more clearly communicate its tolerance for adaptive management.** The innovative interventions need

flexibility in their implementation, and need to be guided by anticipated results, and not necessarily by detailed component descriptions as blueprints for action. The interventions can implement adaptive management formally (on a large scale, for example through midterm reviews) and informally at the activity level (in relation to specific innovative elements). The use of trial-and-error approaches, not necessarily related to a formal midterm review process, may help projects to adapt innovations in response to the real-life context. This would need to be addressed in consultation with the GEF Council.

- **To facilitate the piloting of innovative projects at the necessary scale in smaller countries,**

additional support for cross-country and cross-cutting projects might need to be considered. The use of set-asides (e.g., in the Integrated Approach Pilots and Impact Programs) is an example of how cross-country initiatives—that also involve smaller countries—can be encouraged.

- **It would be useful to consider growing opportunities for partnerships with innovation support programs that may mobilize larger sources of risk capital.** There are more partner opportunities than ever, and their scope and supporting capacity and resources for environmental and social impact funds are growing.

7 The GEF's engagement with the private sector

Since its inception, the Global Environment Facility (GEF) has recognized the private sector as a key stakeholder in fulfilling its mandate. Strategies that have evolved with every replenishment period from 1996 to the present show how the GEF has sought to engage private sector funds and technological innovation through various mechanisms ranging from funding platforms to nongrant instruments to competitions.

As the GEF has shifted into more integrated approaches, it has also increasingly engaged the private sector not only as a source of financing or innovative technologies, but more important as a critical partner in scaling up the generation of global environmental benefits. Programming in the last two GEF replenishment phases—particularly through the Integrated Approach Pilots and Impact Programs—directly addresses environmental drivers in part through working with private sector stakeholders, using value chains as an organizing framework for delivering interventions.

The GEF works with a wide range of private sector stakeholders, from multinational corporations to micro, small, and medium enterprises (MSMEs) and individual entrepreneurs. Starting as early as 1995, the GEF invested close to \$30 million over three phases in a Small and Medium Scale Enterprise Program implemented by the World Bank Group's International Finance Corporation (IFC). The program primarily aimed to make long-term,

low-interest funding accessible to MSMEs for high-risk, innovative projects. Other similar initiatives such as the Earth Fund have since been launched to support innovative financial instruments to encourage MSME participation in global environmental benefit-generating commercial activities, especially in the climate change and biodiversity focal areas.

Alongside the GEF's targeted engagement of formal MSMEs is its equally long history of working with informal MSMEs—farmers, fishers, artisanal miners, traders, smallholders, tour operators and other small business owners in local communities who are not formally organized or registered with the government. These informal entities constitute a large part of the private sector in developing countries;¹ they are also typically the direct users of the natural resources that multilateral environmental agreements seek to preserve or restore. Thus, rather than as cofinancers or technological innovators, these MSMEs are often engaged by GEF-supported projects in their capacity as de facto managers of these natural resources, given that their behaviors in aggregate directly impact the fate of these resources. This engagement often takes on the form of environmental awareness and education, support for alternative livelihoods, payment for environmental services, and

¹ E. Kraemer-Mbula and S. Wunsch-Vincent, eds., 2016, *The Informal Economy in Developing Nations: Hidden Engine of Innovation?* (Cambridge: Cambridge University Press).

formalization of natural resource access and use rights, among other interventions that promote protection and/or more sustainable use of natural resources.

The GEF's latest Private Sector Engagement Strategy (2020) for the first time specifically mentions smallholders as well as artisans and primary producers to be included in the GEF's private sector initiatives, such as through multi-stakeholder platforms and capacity building.

The ongoing evaluation of GEF's engagement with the private sector will have three components—the GEF's overall private sector engagement with a particular focus on the international waters, chemicals and waste, and biodiversity focal areas; the GEF's engagement with MSMEs; and the non-grant instrument. This section focuses on GEF's engagement with the MSME sector drawing on findings from two evaluations—an evaluation of GEF-supported interventions engaging MSMEs and the GEF–United Nations Industrial Development Organization (UNIDO) Global Cleantech Innovation Programme (GCIP). Early findings on GEF's overall engagement with the private sector are included and details will be presented along with the nongrant instrument evaluation in September 2021.

ENGAGEMENT WITH MICRO, SMALL, AND MEDIUM ENTERPRISES

Evaluation of GEF Engagement with Micro, Small, and Medium Enterprises

STATUS: Ongoing

REPORT: <https://www.gef.io/evaluations/msme>

This ongoing evaluation assesses the extent to which the GEF engages MSMEs, and whether this engagement results in economic and social benefits while generating global environmental benefits. The evaluation defines MSMEs to include all micro, small and medium-scale profit-oriented entities—including individuals—that earn income through the sale of goods and services rather than a salary. MSMEs are, by definition, modest in size and constitute the backbone of developing economies where they account for the majority of employment and jobs created.

BACKGROUND AND RATIONALE

Out of 1,711 GEF-supported projects with terminal evaluations, 18 percent (303 projects) were found to have activities relevant to the private sector. Almost half of projects in this portfolio of completed private sector projects specifically included MSMEs, which consisted mainly of companies with more than 10 employees and fewer than 250 employees (SMEs) and individual producers (e.g., farmers, fishers, miners). Another major group consisted of community-based organizations that generated profits. By focal area, climate change projects most commonly attracted SME involvement; and more than half of biodiversity projects involved individual producers, followed by community-based organizations. Projects that

involved MSMEs tended to also involve other types of private sector actors such as national corporations and trade associations.

Half of the projects in the portfolio of completed private sector projects received private sector cofinancing. MSMEs cofinanced 6 percent of projects, where these actors could be identified. The average cofinancing ratio for projects involving the private sector was higher by almost 50 percent compared to the rest of the GEF's completed projects.

The most common reasons for projects to involve MSMEs and the private sector in general were to have them adopt interventions that generated global environmental benefits and continue funding the implementation of these interventions beyond the project; the least common reasons were for innovation and scaling-up. Innovation and scaling-up roles for the private sector were more common in the climate change focal area.

The most common GEF interventions that engaged the private sector included technical knowledge and skills training, technologies or practices, and access to grants or financing for interventions that generate global environmental benefits. While not always directly engaging the private sector, support for policy, laws, and regulations was a common activity.

PRELIMINARY FINDINGS

Seventy-six percent of projects generated environmental benefits with the most common environmental targets involving reducing greenhouse gas emissions and improving practices in landscape management. Most projects (78 percent) intended to create social and economic benefits and 68 percent achieved their targets to

some extent. More than half of the projects that intended to create social and economic benefits aimed to improve access to financing. Other common targets were improved technical standards and processes, increased income and jobs, and increased savings or reduced costs. Greater success was seen in increased savings or reduced costs (78 percent) and increased income/income sources (76 percent). Of those that aimed to improve access to finance, 58 percent succeeded. Most of these benefits were reported to occur at the level of individual direct beneficiaries. System-wide changes were seen in the form of improved ease of compliance with government regulations, and improved financial, human resource management or business systems.

Micro and small enterprises tend not to benefit as much as medium enterprises because of more limited capacities and resources to access or benefit from project support. Limitations

included inability to meet administrative requirements and less than optimal production volume to make interventions economically viable. Increasing access to financing for this group of MSMEs was not always appropriate given the higher costs and risks involved. Instead, lower-cost practices and technologies seemed to address the need to generate both environmental and economic benefits. Based on the results frameworks, 21 percent of completed projects aimed to empower women; of these 49 percent succeeded to some extent. Less than 10 percent of projects reported on outcomes for indigenous groups, youth, and stakeholders with disabilities. In the artisanal gold mining sector in the Philippines, 46 percent of project beneficiaries were women actively involved in trainings and awareness-raising activities. This led to a number of women miners becoming active members of local artisanal and small-scale gold mining associations.

Additionality. The GEF intervenes in markets in two distinct ways: as a catalyst and as a creator of change. As a catalyst, the GEF mainstreams environmental considerations into existing programs for SME support. It aligns project support with existing market forces and then incentivizes the private sector to engage in activities that generate global environmental benefits. For example, by partnering with IFC, which implements programs exclusively with the private sector, the GEF incentivized SMEs by financing business ventures that would not only generate profits but also maintain biodiversity and reduce greenhouse gas emissions (Small and Medium Scale Enterprise Program, GEF ID 91; and its subsequent phase Environmental Business Finance Program, GEF ID 2000).

As a creator of change, the GEF provides a package of interventions that support policy development, pilot demonstrations, technical capacity building, and infrastructure. Not all interventions may receive the same level of support from all stakeholders (e.g., national versus local governments). However, this approach can create new markets for products and services that generate global environmental benefits under conditions where the risks would otherwise be too high for stakeholders or other donors to participate. In IFC's Lighting the Bottom of the Pyramid project (GEF ID 2950), better known as Lighting Africa, various private sector actors such as manufacturers and local distributors, which included SMEs, were incentivized to supply solar lamps through access to financing, business development services, and market intelligence. At the same time, the project also worked on increasing consumer demand for the solar lamps through public education campaigns, a quality assurance certification for the products, and also microloans for those who could not afford to buy the lamps

outright. The project also worked with the government to address policy barriers for solar lamp manufacturers. Thus the entire market for solar lamps was transformed into a viable one that continues to exist today, six years after the project closed.

In the completed projects, GEF support was found to particularly make a difference in the areas of capacity building, piloting, policy support, linking stakeholders, and knowledge creation.

EMERGING CONCLUSIONS

- Private sector participation in project activities that generate global environmental benefits increases when effective approaches to private sector engagement are part of project design. Such approaches include broad stakeholder consultation and sufficient research on market readiness during project preparation; and the introduction of context-appropriate technologies, incentives, and economic benefits for key actors.
- Projects that failed to generate social and economic benefits were associated with unsuccessful private sector engagement and a lack of MSME involvement. Lack of a relevant project design combined with poor project preparation most consistently predicted unsuccessful private sector engagement.
- Differences in local contexts and in the types of MSMEs with which the GEF engages require interventions and long-term, established partners that address context-specific needs, barriers, and economic viability related to generating global environmental benefits.
- GEF engagement with MSMEs may not necessarily be through obtaining cofinancing or increasing MSME access to financing, but

by introducing low-cost, context-appropriate practices and technologies they can easily adopt that create environmental, social, and economic benefits.

Evaluation of the GEF-UNIDO Global Cleantech Innovation Programme

STATUS: Presented to Council

REPORT: <https://www.gefio.org/evaluations/cleantech-programme-2018>

The GCIP is an example of the GEF's support to development of SMEs. Under the program support was focused on SMEs developing clean technologies and solutions that can deliver global environmental benefits. The GCIP set out to reduce/mitigate several barriers to a functioning cleantech entrepreneurial ecosystem including the lack of an enabling regulatory environment, limited access to finance, lack of public awareness regarding market potential of low-carbon innovation technologies, lack of start-ups' strategic business planning and marketing skills and the lack of public awareness regarding low-carbon innovation technology's market potential,

The GCIP mechanism was designed to identify and nurture the most-promising cleantech innovators in a country through a competition-based Accelerator which functioned as an "innovation funnel." By the end of 2017, GCIP had supported 795 semifinalists across eight countries (Armenia, Malaysia, India, Turkey, Pakistan, South Africa, Morocco, and Thailand) spanning a variety of cleantech categories. An average of 32 start-ups per cycle per country benefited from the business acceleration activities and inputs. In 2017, the majority of start-ups were active in the field of energy efficiency (26 percent) followed by

renewable energy (23 percent), waste to energy (20 percent), water efficiency (20 percent), and through more recently introduced categories of green building (10 percent), transportation (1 percent), and advanced material (1 percent).

KEY FINDINGS

GCIP is consistent with national environmental and economic priorities. GCIP supports country strategies to accelerate transformation to a low-carbon economy and is valued by governments and other stakeholders for its support to national start-up/SME agendas. The delivery of assistance to early stage start-ups filled a gap not covered by existing mechanisms. GCIP supports GEF's climate change focal area, private sector and gender mainstreaming objectives as well as UNIDO's mandate.

Environmental Outcomes. All assisted GCIP start-ups are developing innovations with climate benefits and other environmental and social co-benefits. The supported start-ups provide access to environmentally friendly, affordable sanitary pads; reduction of agricultural waste; access to cleaner water; reduced health risks, etc.

Benefits for SMEs. GCIP helped start-ups to develop skills in business modeling, market segmentation, customer validation and financial projections. Start-ups highly valued the use of mentors, peer to peer networking and exposure to local investors. Business Development Training was most frequently ranked as the most beneficial component of GCIP by respondents, with 40 percent of all respondents ranking it first out of the eight components listed. Select participating start-ups were able to access capital for their cleantech enterprises and attributed this to the GCIP. At least 12 start-ups in Armenia, India, Turkey, and South Africa had success in gaining access to venture

capital. These investments, ranging from \$5,000 to \$1.9 million, helped address a major hurdle in the commercialization of technology.

Supporting national entrepreneurship ecosystems. GCIP succeeded in building capacities of relevant institutions through on-the-job training. GCIP projects had positive effects in terms of enabling the local host institution to strengthen its reputation and convener role within the national entrepreneurship system. These effects were particularly noticeable in South Africa, Turkey, and Thailand.

National coordination through cross-departmental and cross-institutional partnerships was not explored to its full potential. The GCIP was expected to create a dynamic within the national entrepreneurship ecosystem by exerting a national-level coordinating force. However, in general, the envisaged national coordination function was not uniformly clear and understood and insufficiently leveraged.

Strengthening of policy and regulatory frameworks. GCIP projects did not realize their intended outcome to strengthen the policy/regulatory environment to foster the growth of cleantech innovation. This is a risk factor for sustaining the projects' results. Policy strengthening activities were limited.

Gender mainstreaming and social inclusiveness. Twenty-five percent of teams supported by GCIP were led by women. In addition to targets, the GCIP approach included the creation of special category awards; selection criteria to provide preferential entry for women and specific efforts to attract female mentors, judges, and trainers. Pakistan's achievements in the highest number of female entrants and semifinalists can be attributed to a gender-based priority and

significant resources for communications and advocacy.

GCIP's additionality. A new and unique value add for the innovation ecosystem was GCIP's focus on early stage cleantech business acceleration that encouraged environmental outcomes (particularly GHG emissions reductions). GCIP encouraged a risk-taking mindset and provided start-ups with privileged access to local private experts. GCIP was also able to leverage private sector finance to support promising cleantech solutions. However, policy and regulatory strengthening additionality was not realized. Barriers to private sector engagement, such as long processes and documentation requirements, can be mitigated/reduced through these models where smaller tranches are allocated in targeted ways.

MAIN CONCLUSIONS

- GCIP is highly relevant and will remain so as developing countries realize the economic and environmental opportunities to take up cleantech innovation as an engine of low-carbon growth.
- GCIP has demonstrated additionality but not in its planned strengthening of national policy and regulatory environments. GCIP projects have meaningfully contributed to development of cleantech innovation ecosystems with improved performance over time through business acceleration, capacity building, and institutional strengthening. Effectiveness could have been improved through a more globally coordinated delivery, sufficient time frame, and adequate resourcing.
- GCIP's operating model successfully enlarged the available pool of resources through catalyzing the support of private ecosystem actors,

although this reliance on their voluntary contributions presents some vulnerabilities.

- Commitment by a national entity, adequate funding and a planned exit strategy at project completion enhances prospects for sustainability.
- The direct and indirect results of the GCIP are not easy to gauge due to generally weak monitoring and evaluation, including inconsistency in measurement and the lack of systematic guidance for project beneficiaries to estimate global environmental and socioeconomic benefits.

THE GEF'S OVERALL ENGAGEMENT WITH THE PRIVATE SECTOR

In a recent survey on the GEF partnership, the strategic involvement of the private sector in GEF projects was highlighted as challenging, with 32 percent of respondents disagreeing, to some degree, that the private sector is currently strategically involved. While a majority (60 percent) are in agreement, few expressed strong agreement with the statement (17 percent). This reflects an improvement over the GEF-6 period, when engagement with the private sector was viewed as an area of comparative advantage for the GEF by less than half the survey respondents.

There are clearly opportunities for the private sector to engage in all focal areas, not just in climate change. Companies bring innovation and the financial sector helps promote scale. To the private sector, a commitment to sustainability is a rational decision based on an assessment of risk and opportunity, and industries and companies have launched many successful new business models to produce more sustainably across the focal areas, such as natural capital

initiatives—Florverde (eco.business Fund); Blue economy innovation—molofeed (Aquaspark); Circular business models—circularity challenge (Rabobank); Auping –circular mattress. Financial institutions show similar interest in sustainable financing models as they consider the impact of environmental and social risk on their portfolio to be a growing factor of concern. New financial models being released include impact bonds, sustainable credit lines and Green venture funds (EcoEnterprise Fund).

The hurdles that hamper the private sector in adopting sustainable practices seem to be similar across the focal areas. Companies lack incentives. In emerging markets, private sector companies often miss an incentive and knowledge to invest in sustainable practices. A suboptimal regulatory framework does not push the laggards to comply with minimum standards. There is often no financial or fiscal regime incentivizing the investment that is often required, and many companies simply do not know where and how to start.

- **Funding could be a solution.** Ideally, there would be a place for public and private funding to step in and help companies overcome these hurdles with either concessional or nonconcessional capital support.
- **Misaligned mechanisms.** Although illiquidity would be the expected hurdle; misalignment in the system seems to be an even stronger problem. The most often heard reason from funders to turn down a project is not lack of financial means, but a misfit with eligibility criteria. Between the financial mechanisms there is misalignment on strategy, risk appetite and project viability.
- **Market failure.** Ultimately, this leaves a significant number of projects and initiatives falling

in between the cracks. Either projects simply do not get funded because they do not fit the rigid eligibility criteria of any financial vehicle or the projects get funded by the wrong vehicle under the wrong circumstances. The differences are mostly found in the contrasts of global corporate markets versus local SME markets (figure 7.1). In addition, larger actors have the ability to move sourcing to favorable conditions and locations, whereas SMES are more anchored to their geography.

The recently approved GEF private sector strategy and implementation plan presents an opportunity to build on the opportunities and address some of these constraints.

The GEF has many widely acknowledged strengths that it can build on to enable the private sector:

- **Unique environmental mandate.** Stakeholders praise the unique mandate of the GEF. The GEF has a one-of-a-kind mandate that is unequaled in the development space. It has the flexibility to work across many environmental sectors which allows for solutions for complex, multifocal environmental issues.
- **Source of technical expertise.** The GEF is seen as a source of scientific and technical know-how and almost three decades of experience in designing and structuring environmental interventions.
- **Public sector reach.** The GEF has well-established relationships with developing country governments through country focal points, which constitutes a powerful network and makes the GEF well positioned to facilitate partnerships and coalitions.

- **Robustness and transparency.** As a donor organization, the GEF brings transparency and robustness with its funding. The size, track record, and processes of the GEF bring credibility to initiatives. The GEF has convening power and credibility to facilitate multistakeholder initiatives.

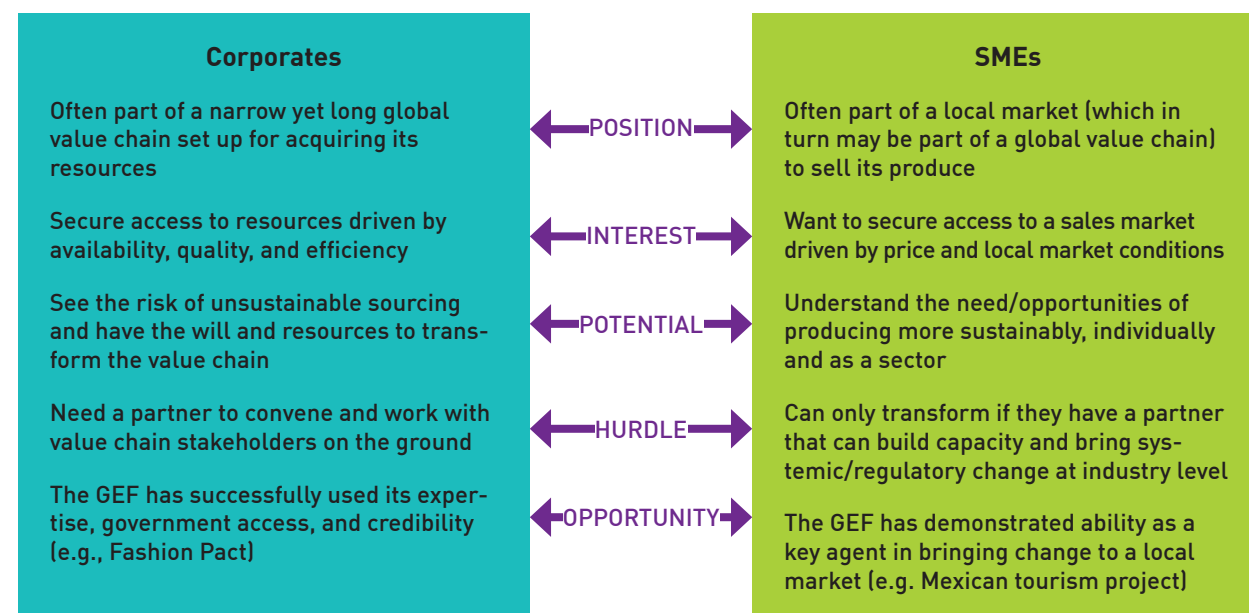
Despite the many strengths, private sector parties also identify challenges in engaging with the GEF and its project cycle that need consideration:

- **Tedious processes.** Working with the GEF seems feasible for expert counterparts but often appears a disappointment for the less experienced who find the complexity of the institution and the funding processes is a very real barrier to entry. The time invested in developing, rewriting, and resubmitting proposals is found to be disproportionate to the

potential amount of funding secured, this can easily make it not worth the effort.

- **Limited understanding of the private sector.** The GEF's perception of the conditions on which it can engage with the private sector are unrealistic for its counterparts. The GEF's project concept requirements, measurement requirements, and approval timelines are alien to the private sector expectations. The lack of understanding of the private sector by country counterparts adds additional challenges to project development.
- **Underutilized name and brand.** The GEF has not yet built its "brand" to engage the private sector. Private sector actors that have not already worked directly with the GEF have very limited understanding of what and how the GEF can provide for them.

FIGURE 7.1 Comparison of global corporate markets and local SME markets



NOTE: Financial institutions can also be a powerful agent of change for both corporates and SMEs, but only if equipped with adequate knowledge, risk models, and products on offer.

8 The institutional framework of the GEF: policies and systems

The previous sections demonstrate the Global Environment Facility's (GEF's) experience in implementing interventions that generate environmental and socioeconomic impacts. The success stories and lessons learned are made possible by a strong foundation that has been put in place over the past three decades. The GEF partnership, policies and procedures, and systems for capturing results and lessons learned have contributed toward strengthening this foundation. This section takes a look at the policies that underpin GEF operations including on safeguards, gender, and indigenous peoples; as well as systems for results and knowledge, drawing on results from five evaluations.

POLICIES

Evaluation of Institutional Policies and Engagement at the GEF

STATUS: Ongoing

REPORT: <https://www.gefio.org/evaluations/gef-policies-2020>

This evaluation assessed the coherence, operational relevance and implementation of GEF's Policies on Stakeholder Engagement (2018), Gender Equality (2018), and on Environmental and Social Safeguards (ESS, 2019). It carried out an in-depth analysis of stakeholder engagement since GEF-6, including design and implementation

of GEF-financed activities and any outcomes that can be traced to the introduction of the updated policy. The evaluation followed up on the previous evaluations associated with the other two policies, both carried out in 2017, and it revisited two additional evaluations looking at the GEF's engagement with particular stakeholder groups in the partnership, the CSO Network and indigenous peoples.

PRELIMINARY FINDINGS: OVERALL

The policies are generally well reflected in the GEF's vision, strategic priorities and operational principles, all of which emphasize mobilizing local and global stakeholders, broadening partnerships/alliances, gender mainstreaming and women's empowerment.

The three policies are generally consistent in their structure. They each outline mandatory requirements, including for monitoring and reporting. The policy documents are mutually reinforcing to a considerable extent, though there are gaps and missed opportunities to show them as a coherent and strategically relevant policy package.

With the exception of the Policy on Gender Equality, documentation tends to be compliance/risk focused and anticipatory of results. Understanding is anecdotal on how the policies contribute to impact across the focal areas, hampering the GEF

in being able to produce a systematic “roll-up” of impact data to present to Council.

PRELIMINARY FINDINGS: GEF POLICY ON STAKEHOLDER ENGAGEMENT

The way the GEF defines stakeholder engagement and sets out policy requirements is mostly consistent with the practices of comparator institutions (i.e., the Green Climate Fund, the Adaptation Fund, the World Bank, the Inter-American Development Bank, and UNDP). The GEF’s policy is less explicit than the others on its handling of: two-way communication with stakeholders, information disclosure, grievance redress and the inclusion of disadvantaged and marginalized groups in projects and programs. The latter three areas are addressed more fully in the ESS Policy revealing a coherence gap.

Overall, GEF Agencies describe the updated policy as well designed—that is, clear with meaning and intent, and with requirements that are realistic and appropriate. Across the Agencies, stakeholder engagement policy content is incorporated uniquely with varying degrees of integration of gender and safeguards content, and with varying degrees of emphasis placed on risk and rights. Thresholds for making compliance adjustments to their own policies vis-à-vis the GEF Policy are generally higher in Agencies with larger GEF portfolios relative to the Agency’s total portfolio.

Agency reporting guidelines are mostly described as clear, generally compatible with own practices, useful and not onerous. The Portal is mostly described as “getting better” though with limitations remaining. And with regard to stakeholder engagement, specifically, the paucity of a framework (indicators) is seen to limit the ability to analyze stakeholder practice and results.

Uniformly, Agencies assess the one-to-one support provided by the Secretariat as very satisfactory—attentive and substantive. One critique, heard frequently, described a “piecemeal” pattern of requests and feedback. Policy-related support provided through training/orientation is described as adequate though not developed to provide deeper, role specific understanding of policy implementation. Some Agencies have stakeholder engagement expertise to share, while others seek it. In this mix, the GEF is seen as well placed to be an information and relationship broker.

Constraints in implementation are noted by the Agencies in three areas, mainly: internal (Agency/project team) experience/capacity to integrate meaningful stakeholder engagement into design and implementation, inadequacy of budget and time to undertake quality stakeholder engagement, and prevailing social/political context in some countries.

There is uncertainty among a significant proportion of operational focal points as to what is expected of them in supporting any of the three policies, including the one on Stakeholder Engagement. Less than a quarter of those surveyed said they were familiar and using the policy regularly. Commonly noted constraints on operational focal points playing a role vis-à-vis stakeholder engagement are budget and knowledge of effective practices to support the requirements.

Familiarity with the updated policy is also mixed across the vast array of GEF-affiliated CSOs. The majority of those surveyed indicate some familiarity, and CSO Network members are more inclined than their non-Network peers to know the policy. By and large, the policy updates are supported by the Network; observed gaps, as commented to

Council, relate to the attention paid to a grievance mechanism, and the specificity of reporting under the requirements.

The view from inside the GEF Secretariat is that engagement in the development of policies, strategies and guidance has varied on a case-by-case basis and that, to date, there is no standard engagement practice in place for the GEF. The means by which the policy updates for stakeholder engagement and gender equality were formulated during GEF-6 are described by the GEF Secretariat as the most prominent examples of the application of a multistakeholder approach.

The updated Policy on Stakeholder Engagement sets out mandatory requirements for stakeholder engagement through the GEF project and program cycles. Observing the documentation of the GEF program and project portfolio back to 2014, the following can be said with the introduction of the updated policy:

- The requirements are evident in the reporting though many were evident to a lesser degree in the documents as per the nonmandatory provisions of the predecessor Public Involvement Policy
- The type of stakeholders named at the identification and design stages of the project cycle broadens from national governments, international organizations and the private sector to include NGOs/CSOs
- The prevalence of reporting on stakeholder engagement increases in the identification and design stages
- Inclusion of a Stakeholder Engagement Plan is evident in more projects at CEO Endorsement, though information on how they are to be shared is missing or vaguely stated

- Stakeholder engagement in program or project governance or through project monitoring and evaluation remains limited and largely without reference to the Stakeholder Engagement Plan (now required by the updated policy)
- Theory-based connections made between stakeholder engagement and higher-level project and GEF outcomes (notably to address the socioeconomic needs of stakeholders or to enhance country ownership), remain limited in the specificity of data to show the contributions of engagement to these results.

Patterns of CSO interaction have not changed appreciably over the past 10 years (2021, 2016 surveys). About half of CSO respondents have been consulted and engagement has mostly occurred in the opening stages of the project cycle. Not surprisingly, the vast majority of CSOs (Network and non-Network) engage with the GEF through the Small Grants Programme (SGP).

Agency staff note that the new policy has provided impetus to review and revise their own policies and to deepen the thinking across staff on the practice itself. Having a stronger policy has also helped the new GEF Agencies to leverage decision makers in implementing bodies and with governments to go beyond conventional practices and/or national standards.

PRELIMINARY FINDINGS: GENDER MAINSTREAMING

In 2017, the GEF Independent Evaluation Office’s (IEO’s) evaluation on Gender Mainstreaming recommended a revision of the policy to align with good practice standards, develop an action plan for the implementation of the Gender Policy

in GEF-7; and ensure adequate resources are available.

The Gender Equality Policy and actions to support its implementation reflect all three recommendations from the previous IEO evaluation. The updated policy reflects overall alignment with international best practice and moves the GEF decidedly from a gender-aware, “do no harm” approach to a gender-responsive, “do good” approach.

Gender policy guidance and action plans were released and approved as the Policy came into effect (July 2018) and aligns explicitly with the GEF-7 programming directions. A Gender Implementation Strategy (June 2018) situated the content of the policy in a broader understanding of Gender Gaps, particularly those pertinent to the GEF-7 program, and identified entry points within the Program to promote gender equality and women’s empowerment.

Since 2018, the GEF has augmented its in-house capacity to deliver on the Policy—GEF’s Senior Gender Specialist (hired in 2016) is assisted by other trained staff to support gender work. This included the development of a guidance manual to support the integration of gender equality throughout the GEF project cycle. There have been occasional internal trainings on gender, and some checklists have been provided to GEF staff. Policy related orientations and trainings in the partnership are generally well received though, similar to the situation with the Stakeholder Engagement Policy, these sessions remain at a general level. Attendance is variable. The GEF/UNDP/SGP/UNITAR/UN CC:Learn Open On line Course on Gender and Environment stands out as the GEF’s unique on-line training to support the

policies covered by this evaluation.¹ Enrollment is high. Moderated by the Secretariat, the GEF Gender Partnership (GGP) has emerged as a strong knowledge sharing, knowledge exchange, and capacity development forum among GEF Agencies and gender focal points in the conventions that GEF serves. Meetings are held on a regular basis to share ongoing gender-focused work. The replicability potential of the GGP model across other policies is considerable according to those familiar with it.

Portfolio documents show increased attention to Gender Equality with the introduction of the updated policy—more stakeholder consultations involving individuals or groups with a gender perspective; more frequent use of a gender analysis methodology and formulation of a gender action plan; higher utilization of the combination of gender disaggregated and gender specific indicators; increased reporting on gender in PIRs; and greater prevalence of resource allocations to support gender training and knowledge management.

Gaps in alignment with good practices are observed by Agency key informants in the following areas: on the definition of the gender focal point role, on the assignment of budget resources at the corporate level to support the Policy, and on the tracking of financial data as a way to assess commitment to the Policy.

Observed constraints in implementation include: uneven patterns of gender data collection across the Agencies thereby hampering analysis, internal Agency-level challenges bringing staff on

¹ The results of this collaboration is a self-paced free course (<https://www.unccllearn.org/courses/open-online-course-on-gender-and-environment/>) developed for focal area specialists, development practitioners, policy makers/government officials working on environmental policies and projects, and citizens at large curious about the subject matter.

side with gender equality concepts, and country level factors warding against recognition of gender equality as a factor bearing on the global environment.

PRELIMINARY FINDINGS: GEF POLICY ON AGENCY MINIMUM STANDARDS ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS

In 2017 the GEF IEO undertook of its original Environmental and Social Safeguards policy. The review contained three overarching recommendations: (1) review the 2011 GEF Minimum Standards on Minimum Standards on Environmental and Social Safeguards; (2) improve safeguards monitoring and reporting; and (3) support capacity development, expert convening and communications on safeguards. Each are reviewed below.

GEF responded to IEO’s recommendations from the 2017 Safeguards Review by updating the GEF ESS Policy (incorporating most of the identified gap areas). For its part, the ESS Policy with its orientation toward risk avoidance/mitigation contributes under its potential vis-à-vis GEF strategic priorities addressing drivers of environmental degradation and enhancing resilience and adaptation. The updated Policy has again served as a catalyst for strengthening the safeguard frameworks of a number of GEF Agencies. However, some safeguard issues could be further strengthened in the future.

The updated ESS Policy improved safeguards reporting and monitoring in line with the 2017 IEO recommendations, requiring Agencies to provide information at project midterm and project completion. However, unlike the Policy on Gender Equality and the Policy on Stakeholder Engagement, the ESS Policy does not require safeguards

reporting in PIRs, a curious misalignment. Nevertheless, it appears some Agencies are including some safeguards information in PIRs. The Policy also increased portfolio-level reporting on safeguard risks and grievance cases, again in line with the 2017 IEO recommendations.

GEF has not moved forward on the IEO recommendation to support capacity development, expert convening and communications on safeguards in the GEF partnership (this knowledge sharing/brokering role was not reflected in the updated ESS Policy unlike the Gender Policy). A recent Secretariat progress report signals potential movement in this area but capacity constraints may limit pushing this role forward despite interest among some Agencies on how best to tackle a range of challenging safeguard implementation issue areas.

The updated ESS Policy incorporated a wide range of new thematic areas, such as labor and working conditions; community health, safety, and security; climate change and disaster risks; disability inclusion; disadvantaged or vulnerable individuals or groups; and adverse gender-related impacts, including gender-based violence and sexual exploitation and abuse. Nevertheless, some recommended areas from the 2017 review were not or only partially included in the update. In addition, further reviews and recently updated Agency safeguard frameworks highlight potential areas where the GEF ESS could eventually be further strengthened. These areas include fragility and conflict issues, more explicit alignment with human rights frameworks, and a range of specific issues areas. However, some Agencies are still completing their action plans for ensuring compliance with the updated GEF ESS and the majority of interviewees indicated no desire for a change in the ESS policy anytime soon.

The highlighting of safeguard-related risks and impacts across the portfolio, as well as heightened attention to grievance cases, may help drive greater attention to safeguard issues during project implementation. However, as the ESS Policy went into effect only in July 2019, it is too early to tell.

PRELIMINARY FINDINGS: GEF-CSO NETWORK

The 2016 Evaluation of the GEF CSO was requested at the GEF Council at its 47th meeting in October 2014. The evaluation contained four recommendations: (1) a contemporary vision for the Network be created, including a modality to finance Network activities; (2) clear rules of engagement be developed to guide cooperation and communication; (3) the Network continue to build itself as a mechanism for strengthening civil society participation in the GEF; and (4) the Network strengthen its governance. Each is reviewed below.

There is some progress across the recommendations. An updated vision document was developed and approved (2017). It took into its perspective all GEF-involved CSOs (not just the Network) and assigned the Secretariat with lead responsibilities regarding representation and consultation functions. This has led to more diverse CSO Involvement and more focused conversations. The “modality to finance Network activities” was not included in the visioning exercise and, on this aspect, no progress has been made subsequently.

The CSO Network’s efforts to build itself up as a mechanism for strengthening civil society participation in the GEF are hampered by internal tensions and financial constraints. The last funding grant was received in October 2016. Attempts

to demonstrate the Network’s value proposition inside or outside the partnership have yet to yield financial support.

The Network’s efforts to strengthen governance mechanisms have stalled. Right after the 2017 evaluation, the Network’s strategic plan was updated and focal area working groups were created. Today, there are signals that members are not renewing or joining. The Coordinating Committee is at half strength or less with internal tensions and vacant position; its working groups are mostly inactive.

Under the Updated Vision, the Secretariat’s Partnership Team is engaging the larger field of CSOs that are mostly connected to the SGP. Information on opportunities for CSO involvement are on the website and learning events have been conducted. On line strategies through the country support program are being used to engage CSOs during the pandemic.

Results from the 2021 survey show that the Network’s membership is representative of the larger array of CSOs and the majority of CSO Network members continue view the CSO Network as a structure that enables effective and efficient sharing of information, with all major stakeholder groups fairly represented, and election processes that are fair and transparent. However, the data shows a marked decline in assessed member benefit on six aspects of membership since 2016.

PRELIMINARY FINDINGS: GEF ENGAGEMENT WITH INDIGENOUS PEOPLES

The GEF IEO undertook an evaluation of GEF engagement with Indigenous Peoples in 2017. The evaluation contained five recommendations: (1) establish and strengthen dedicated funding

opportunities for indigenous peoples projects/ organizations; (2) update relevant policies and guidelines to reflect best practice standards concerning indigenous peoples, including a rights based approach to engagement; (3) review the Indigenous Peoples Advisory Group’s (IPAG’s) role for operational constraints; (4) facilitate dialogue between indigenous peoples and local communities and GEF government focal points; and (5) monitor application of Minimum Standard 4 and the indigenous peoples portfolio. Each are reviewed below.

There has been good progress against the recommendations. Regarding the first, the Inclusive Conservation Initiative is roundly welcomed as a breakthrough funding initiative designed for local impact, GEF-wide learning and scale out/up. The initiative is seen as precedent setting—that is, complementary to but larger in project scale than the SGP, dedicated to creating indigenous people-designed and implemented projects in biodiversity hotspots. Other parts of indigenous peoples programming remain static (the indigenous peoples fellowship and the SGP are highlighted).

Indigenous peoples leaders are generally favorable toward revised ESS Policy/Guidelines. The policy is considered contemporary and appropriate for the partnership. The accompanying guidelines are described as general and in need of elaboration with case examples. With its portfolio spread across key convention areas and its reach through multiple Agency delivery channels, the GEF is considered uniquely suited to mainstream engagement and safeguard policies.

Agencies are seen as an important driver/ intermediary in the bid to ensure that country governments recognize and engage indigenous

peoples. Observations on performance in this regard are mixed. At worst, “exclusion by design” is observed, as are underwhelming applications of free, prior and informed consent (FPIC). At the other end of the continuum, indigenous peoples are authentically engaged in partnerships with sharing and two-way learning.

The IPAG is operationally stable and strong—that is, strategically focused, with a dedicated and connected membership. By all accounts it is well supported by the GEF Secretariat administratively and with high-level advocacy. The IPAG has earned credibility among those who know it; though its value proposition is not widely known within or beyond the partnership.

A tightly focused mandate, size and dispersion of the group, its profile, (part) volunteer make-up, and resource availability all place constraints on what the IPAG can do. The volunteer ethos of the IPAG is valued but insufficiently addressed in (1) the role delineation on the IPAG between the advisors and the indigenous peoples members, and (2) the reckoning of the time and cost burden on those who are not supported by any institution to participate. With requests on the IPAG increasing, the current membership has ideas on how the impact of the IPAG could be enhanced in the service of supporting implementation of the ESS and Stakeholder Engagement policies.

Improving dialogue between indigenous peoples and local communities and GEF government focal points remains a work in progress. There are project level successes, but country contexts can quickly change. Key strategies suggested for GEF (understanding each country context is unique): showcase success—notably experience with indigenous peoples’ and local communities’ conserved territories (ICCAs) (showing

advantages of inclusive approaches); ensure that Agencies are using the sway that they have with host governments—including referencing the policies—resource this with strategy ideas; make high profile public statements in support of the United Nations Declaration on the Rights of Indigenous Peoples/FPIC; continue/increase attention to youth leadership development and the SGP (to build country capacity).

Progress is evident in the monitoring of Minimum Standard 4 (now 5) and the indigenous peoples portfolio. While Agency reporting on safeguards is now a requirement, and tagging of indigenous peoples related projects has improved, indigenous peoples leaders suggest it too soon to see a systemic improvement. A renewed commitment to indicator development is warranted in this regard.

SYSTEMS

The GEF's systems for results and knowledge management have evolved over time to meet the needs for information for accountability and reporting as well as for learning. This section examines recent developments in these systems, with a focus on progress made and the challenges ahead.

Consistent with other organizations, the purpose of results-based management (RBM) in the GEF is to “improve management effectiveness and accountability” by “defining realistic expected results, monitoring progress toward the achievement of expected results, integrating lessons learned into management decisions and reporting on performance.”² Three evaluations were conducted during the OPS7 period to assess the results based management system in the GEF:

² GEF, 2007, [Results Based Management Framework](#).

the GEF Portal which was designed as an interface to allow direct entry and review and approval of projects and programs proposed for funding by the GEF, a review of the quality of the validation process of terminal evaluations which underpin all evaluative work in the GEF, and an assessment of the self-evaluation systems of GEF Agencies, through a participatory design thinking approach.

Results-Based Management and Portal and Results Architecture

STATUS: Ongoing

REPORT: <https://www.gef.io/evaluations/rbm-2020-portal>

RATIONALE AND METHODS

In 2018, the GEF transitioned from its Project Management Information System (PMIS) to the GEF Portal as the PMIS was increasingly unable to meet the evolving needs of the GEF partnership.³ The GEF Portal is aimed at providing “a user-friendly on-line interface to allow direct entry and review and approval of projects and programs proposed for funding by the GEF” and “to store data and documents related to their implementation.”⁴ This evaluation assesses the extent to which the GEF Portal is meeting its objectives, and the extent to which it is performing as per objectives and expectations. It presents lessons from the experience of the Portal's development and roll-out.

In addition to a user survey, interviews and document reviews, the evaluation team reviewed the web pages of the GEF Portal, and three peer

³ GEF IEO, 2017, [Review of Results-Based Management in the GEF](#).

⁴ GEF Secretariat, 2018, “[Progress Report on the Development of the New GEF Portal](#),” GEF/C.54/Inf.06, p. 1.

portal sites that include Green Climate Fund Project Portfolio System; IRENA Project Navigator; and, UNFCCC Capacity Development Manager information system.

PRELIMINARY FINDINGS

The Portal has enhanced the on-line project proposal submission and review capabilities of the GEF partnership. Unlike the previous system where submission and review of proposals was conducted off-line, with the Portal, submission, review and decisions are on the Portal. The Portal creates a clear trail and establishes accountability.

Overall, the Portal has contributed to improvement in data quality, especially on the recent projects, through increased automation and arrangements to ensure data entry discipline, although some errors in data outputs were noted. The Portal has streamlined the process of submission of project implementation reports, midterm reviews, and terminal evaluations through direct submission. This reduces the probability of misplaced emails and errors in uploading the documents. Information on submissions of these documents is available in real time. It also has auto validation built in for some of the entry fields to ensure that the responses are in the required format and/or in the logically consistent. These validation checks cover areas such as financial envelopes, GEF STAR limits, Impact Program set asides. Portal users acknowledge that availability of real time data on project cycle status has improved although concerns pertaining to historical data remain.

The Portal is easy to navigate, visually appealing, and accessible and compares well with its peers on these criteria. The Portal has a

simplified professional design with a strong logic. The layout, color and fonts are user friendly. It is easy for the user to identify an HTML link; web pages are well composed and with a clean layout. The icons used in the web pages are simple, elegant, and consistent. The Portal does not have a site map but it works because the design is simple. The user perception on ease of navigation is varied and seems to be linked with the frequency of usage—those who use it more often have a more favorable perception of it than those who do not. GEF Agency users were more likely to rate the quality lower (58 percent of 74 respondents) whereas a significantly lower 39 percent of the respondents from other groups perceived it to be of lower quality than other portals. Agency perceptions might be lower as, by design, they do not have access to a number of Portal features available to the Secretariat, including built-in workflow and advanced reporting features.

The Portal is much more developed since its launch and user experience has improved. However, several major gaps remain in areas such as the search function, batch download of documents, project cycle related alerts, providing go-back function for navigation, and in ensuring accuracy of data outputs. Since its launch in 2018 several features have been added to the Portal. The Portal team is working on an improved reporting platform and developing a dashboard for improved reporting. Several interviewees from the Secretariat and from the Agencies noted their frustration at the long drawn out process of the Portal's development, with no clear end date in sight. The Portal team and World Bank ITS attribute the slower development to the limited resources that they need to work with.

Several interviewees noted that since 2019 the Portal provides at least the minimum required

level of expected services. However, there is some dissatisfaction among other users—including users from the Agencies, GEF IEO, and the GEF Secretariat—with what they perceive as numerous low-level glitches and challenges. Many users were dissatisfied with—what they perceived as—lack of clarity on the approach used to identify and prioritize problems or responses to follow up actions. Efficiency gains have resulted in avoiding the duplication of data entry with auto validation and red flags by Portal to ensure data quality at entry, with the burden for data entry having shifted to the Agencies.

The Portal has contributed to the acquisition of more and better data. During interviews, users expressed that sometimes the data are simply not available to the public. This may be driven in part by the differences in the disclosure policies of the GEF and the GEF Agencies, resulting in different levels of access to data for various stakeholders. Non-GEF-affiliated users of the Portal were generally happy with the level of transparency the Portal provides.

Connectivity is another issue. Problems related to logging in, connection losses, and “silent logouts” caused by the page timing out led to lost data need to be addressed. There also appears to be a technical access disadvantage to users with narrower bandwidth, which disproportionately affected users in the least developed countries and remote areas.

Review of the GEF Terminal Evaluation Validation Process

STATUS: Presented to Council

REPORT: <https://www.gefio.org/sites/default/files/documents/council-documents/c-59-e-inf-01.pdf>

This study presented the results of the independent review of the GEF Terminal Evaluation Validation Process, conducted from July to September 2020. The analysis focused on GEF IEO terminal evaluation validation activities and on validated reports of projects completed since October 2017 and addressed issues of transparency, credibility of the validation process.

KEY FINDINGS

The terminal evaluation reviews are well substantiated and aligned with criteria following good practices. However, variations in the evidence present challenges to ensuring that evaluative judgments are consistent across reviewers. There is scope for enhancing the assessments and using more qualitative information.

The quality of the terminal evaluation is key to demonstrating the credibility of the process.

Currently the quality of the large majority of the terminal evaluations validated by the GEF IEO is assessed as moderately satisfactory or higher, which suggests that the evidence is credible for assessments.

The GEF Agencies have developed several good practices that could be shared and disseminated across all GEF Agencies, including quality assessment checklists to be used prior to submission of terminal evaluations, better data collection

and reporting for GEF projects, and templates to ensure that GEF submissions are complete.

The large majority of the terminal evaluation ratings validated by the GEF IEO are for projects from three GEF Agencies with established evaluation units or GEF Agencies which may be well positioned to graduate soon. About 17 percent of the total GEF IEO-validated reports in the period analyzed were submitted by three Agencies—the United Nations Industrial Development Organization (UNIDO), the Food and Agriculture Organization (FAO), and the International Fund for Agricultural Development (IFAD)—and considered high quality terminal evaluations; with 96 percent rated satisfactory, highly satisfactory, or moderately satisfactory.

Because data gaps are relatively small and the evaluation quality is generally good, there are opportunities to focus on assistance to the newer Agencies. The validation reports could be more consistently shared with submitting Agencies as a way to provide feedback for future terminal evaluation improvements.

Agency Self-Evaluation Systems

STATUS: Ongoing

REPORT: <https://www.gefio.org/evaluations/agency-self-evaluation>

The Agency self-evaluation systems are expected to facilitate learning and accountability across the GEF partnership. At the project level, these are reflective exercises that help implementers learn from the experience. At a higher level, self-evaluations facilitate monitoring of the portfolio, alert early warnings on trends that warrant attention, and provide lessons.

The IEO is undertaking this evaluation to assess the extent to which Agency self-evaluation systems (SES) provide quality and timely information and comply with the GEF requirements, and to identify opportunities for improvement. For this assessment, self-evaluation includes any evaluation conducted by those that are involved in implementation of evaluated activities, with or without involvement of the Agency evaluation unit.

Agencies define two main objectives for SES: accountability and learning. To date, SES are mainly designed for accountability. They also enable management learning, informing decisions at the project and organization level. They are not designed to enable learning “what works.”

An SES architecture ensuring minimum standards across 18 Agencies is in place and provides an excellent platform to enable learning “what works” across the GEF partnership.

PRELIMINARY FINDINGS: REQUIREMENTS

Policy frameworks and mechanisms in place within Agencies’ SES support the provision of credible, quality, and timely information. This includes the timely delivery of project implementation reports (PIRs), midterm reviews (MTRs) and terminal evaluations. Terminal evaluations must also be validated by a unit that is independent of the project. GEF has thus successfully accomplished a critical step in building global architecture for environmental progress: a minimum standard of self-evaluation in 18 Agencies. Here, new Agencies like CAF, WWF-US, CI and FECO greatly value the guidance received by GEF and the exchange with peers to implement good practice standards.

For a vast majority of projects, PIRs were assessed to document challenges faced by the project during implementation; in some instances, terminal evaluations did report that the PIRs of the respective project lack candor and/or are of poor quality. MTRs are available for only a third of the completed full-size projects—this instrument is not being used as often as it should be used. PIRs and MTRs are less likely to be available for projects that were rated unsatisfactory or highly unsatisfactory for outcome by the GEF IEO or Agency evaluation offices than those that are rated satisfactory or highly satisfactory.

Agencies are not always clear about GEF requirements and how to implement them effectively. For example, GEF requirement for MTRs is not accompanied by guidance on how Agencies should conduct these reviews. Other GEF requirements, such as the use of theory of change in terminal evaluation, are implemented inconsistently and with different rigor among Agencies. Even with guidance in place, Agencies have their own ways to interpret and implement GEF requirements.

Self-evaluation systems can be broadly categorized in two archetypes.

- In development finance institutions (DFIs) and most UN agencies, independent evaluation units (IEUs) validate terminal evaluations, which are conducted or administered by project staff. Projects are generally rated twice: by the project and by the IEU, which thus harmonizes ratings across the Agency. The IEUs synthesize terminal evaluations into annual performance reports that inform management decisions at the level of the organization. They also conduct thematic reviews to generate insights across projects.

- Nongovernmental organizations (NGOs) do not have IEUs. Some have semi-independent evaluation units to conduct self-evaluations. NGOs do not aggregate data across projects, and rarely conduct thematic reviews.

Most IEUs try to balance accountability versus learning needs by validating evaluation reports received from project staff and dedicating a substantial portion of their resources in meta, thematic and country reviews.

PRELIMINARY FINDINGS: ACCOUNTABILITY

In general, SES are working well for accountability purposes. Policies, guidance, and mechanisms are in place to ensure credible, quality, and timely information. Agencies' IEUs are critical to ensure the quality of terminal evaluations. In addition, most DFIs and UN Agencies have internal and/or external peer review mechanisms in place. For PIRs and MTRs, GEF coordination units ensure quality and credibility.

The review assessed compliance with the terminal evaluation guidelines for 271 projects—186 full-size projects and 85 medium-size projects. Agencies comply with requirements related to general information on projects; reporting on outcomes; reporting on project M&E; consistency in performance ratings; and, reporting of lessons rooted in project experience. However, 65 percent of terminal evaluations do not report on the application of social and environmental safeguards during implementation. The review found terminal evaluations prepared by UNEP and UNIDO to be compliant with most—but not all—requirements. The areas with gaps include reporting on Agency performance (UNEP), and application of environmental and social safeguards (UNIDO). For example, compliance on project M&E and the

safeguards is strong in terminal evaluations prepared by the World Bank and on sustainability in those prepared by UNDP.

Comparing ratings of different Agencies is complicated. Agencies are mostly aligned in what they aim to capture. However, they use different methods and rating scales to assess the criteria. For example, only UNEP uses a theory of change explicitly to assess effectiveness of its projects. The World Bank Group presently does not assess sustainability of interventions because they deem it too early to have meaningful results.

Candor is not incentivized. The key measure of success in Agencies is project volume or deal flow. This organizational logic trickles down to project design and management. As a result, evaluation is mainly seen as a necessary requirement. Project staff are mainly interested in moving their projects along without issues and to get a good rating in the end. Due to the lack of systematized learning and exchange on “what works,” there are no direct incentives for candor. Difficulties and failures on projects tend to be hidden rather than used as an opportunity for learning. Encouragingly, some Agencies such as the European Bank for Reconstruction and Development and the Inter-American Development Bank are focusing more on the quality of self-evaluation and lessons learned and less on ratings.

PRELIMINARY FINDINGS: LEARNING

We distinguish two types of learning: learning about doing things right and learning about doing the right things. Doing things right relates to whether projects are being implemented as planned, while doing the right things relates to the effectiveness of interventions, and understanding what interventions work, how and why.

Agencies' SES support learning on doing things right. Feedback loops are in place at the project and organization level.

- On the project, red flags in PIRs trigger action to get the project back on track and hence help with management learning. The focus is mainly on activities and outputs. MTRs also consider outcomes (to the extent possible) and review the project logic to provide recommendations.
- Terminal evaluations help with learning as they are synthesized by most Agencies per year to review the project portfolio with regards to defined objectives and provide recommendations. These annual performance reports typically also reflect on the SES itself and identify areas for improvement. NGOs do not have this procedure in place.

Agencies' SES are not designed for learning on doing the right things. DFIs have the various mechanisms in place to understand intervention effectiveness and share insights. There is variation among UN Agencies. NGOs have almost no systematic learning on what works.

Terminal evaluations, cross-cutting analyses of evaluation results through thematic reviews, impact evaluations, database of lessons learned and peer exchanges are the main mechanisms through which learning takes place. However, formats of terminal evaluations, the limited number of learning practices, and the limited role of the Portal in supporting KM are limitations.

Learning about doing the right thing across the GEF partnership is a major lever for progress.

Self-evaluation products are currently not leveraged enough for cross-Agency learning. The main mechanisms appear to be thematic evaluations

by GEF IEO and the reviews by the Scientific and Technical Advisory Panel (STAP), which is valued highly by Agencies. Learning products by Agencies, e.g., in the form of meta and thematic reviews or impact evaluations, remain an untapped resource. Greater peer learning across Agencies, transparency on ratings systems and evaluation approaches, sharing self-evaluation results, and improving the capabilities of the Portal to support KM infrastructure are some measures that can promote learning.

Evaluation of Knowledge Management in the GEF

STATUS: Presented to Council

REPORT: <https://www.gef.io/evaluations/km-study-2020>

Knowledge management is integral to the GEF, which encompasses 183 countries and 18 Agencies. This evaluation looked at the strengths of and challenges facing GEF knowledge management.

The 2017 Evaluation of Knowledge Management by IEO recognized that the GEF partnership fulfilled the role of a knowledge provider but played less of a role as a knowledge broker. Systemic issues affecting achievement of that role included barriers to knowledge sharing, such as an absence of guidance on KM for GEF-supported projects and programs throughout the project cycle; and limited capacity within the GEF Secretariat to connect with GEF Agencies' knowledge systems and platforms, and to create an enabling environment for partnership-level learning and collaboration across the GEF portfolio.

Several initiatives were launched to address these limitations. This evaluation assesses progress

made since 2017 and identifies existing constraints to a well-functioning KM system.

KEY FINDINGS

Progress has been made at each step of the KM process from knowledge capture to knowledge application across the GEF partnership, but awareness and use of new initiatives is limited.

Regarding **knowledge capture**, the introduction of the GEF Portal is seen by stakeholders as a positive change that improves data collection and transparency. However, the Portal is not yet a viable KM tool, as it does not provide the functionality to aggregate and extract lessons across projects that would allow partners to learn from each other and scale up good practices.

In terms of **knowledge development**, the GEF partnership has continued to transform information into usable products. However, the need exists for a standard approach to transforming information into usable formats that can be shared. A concern in this regard is the accessibility and curating of knowledge products.

As to **knowledge sharing and dissemination**, the introduction of on-line and in-person learning—as well as the use of knowledge platforms in specific programs—have supported stakeholders across the partnership. The GEF communications team also actively disseminates knowledge, but links between KM and communication could be strengthened.

Knowledge application has improved with the introduction of KM requirements and project cycle guidance on KM activities. This material has been accompanied with guidance on good practice

criteria for the KM section in project documents which has been shared with the GEF Agencies.

GEF **programmatic approaches** incorporate knowledge and learning. The Integrated Approach Pilots and the Impact Programs have developed program-level approaches to KM to facilitate cross-project, cross-Agency, and cross-country learning. This approach has also been evident in other recent programs, such as the Global Opportunities for Long-term Development in Artisanal and Small-Scale Mining Program (GEF GOLD). Knowledge platforms have also been used in the context of specific focal areas and cross-cutting themes—notably, **IW:LEARN** in international waters and the GEF Gender Partnership network of experts.

Satisfaction with KM initiatives and the use of knowledge products and services in the GEF are highest among country focal points, implementing Agency partners, GEF Council members and alternates, and international environmental conventions.

Despite the progress observed, **challenges and limitations** were identified in project-level KM, overall KM strategy, and the role of the GEF Agencies and countries.

The move toward fully on-line management of project data and information is a positive development, as is the increased integration of KM in project proposals. However, these measures have not yet resulted in full optimization of project-level KM.

The GEF currently has no partnership-wide **KM strategy** or work plan with priorities and a resource envelope; instead, KM is broadly guided by the KM approach paper approved by the GEF Council in 2015.⁵ Several stakeholders noted that the KM Advisory Group is not fully taken advantage of in guiding KM within the GEF partnership.

The KM role of GEF Agencies has increased, mainly due to a greater emphasis on KM in project design and the new GEF programmatic approaches. At the same time, a number of areas still need improvement, including the need for more peer-to-peer exchange between Agencies and further guidance on KM at the project level for GEF Agencies, including examples on how to design a good KM component in GEF projects.

At the country level, GEF operational and political focal points and other stakeholders appreciate new KM initiatives, although they are not always aware of the services and products available. According to the survey responses and interviews, there is a need for ensuring focal points have access to information on the GEF portfolio and good practices, and increased availability of KM products and services such as good practice briefs and e-learning courses.

⁵ GEF Secretariat, 2015, "[GEF Knowledge Management Approach Paper](#)," GEF/C.48/07/Rev.01.

9 The GEF's comparative advantage in building a greener future

Sections 1–8 of this report present evaluative evidence on the role, performance, and impacts of the projects and programs implemented by the Global Environment Facility (GEF). They also provide early evidence on the adequacy and implementation of policies and the systems for results-based management and knowledge management. These evaluations were conducted between 2018 and 2021 period, during the GEF-7 period; several are still ongoing. The findings presented in this report are an important input into the eighth replenishment of the GEF. Drawing on this evidence, which is based on a set of 34 evaluations and studies, this section presents an early synthesis of the findings on the comparative advantage of the GEF based on the many insights shared throughout this report and on an ongoing evaluation on the strategic relevance, governance, and comparative advantage of the GEF. As part of this ongoing evaluation, a survey was implemented in March 2021, which captured 588 responses from a broad range of stakeholders including GEF Secretariat staff, GEF Agencies, operational focal points (OFPs), political focal points, Scientific and Technical Advisory Panel members, indigenous peoples organizations, and convention representatives, among others.

This section is geared at informing the replenishment discussions for GEF-8, with the longer-term view of strategically positioning and strengthening the GEF in helping countries toward a greener recovery.

Assessment of the Strategy, Comparative Advantage, and Governance of the GEF Partnership

STATUS: Ongoing

REPORT: <https://www.gefio.org/evaluations/comparative-advantage-2020>

PRELIMINARY FINDINGS

In the last decade, the global community has heightened the urgency of addressing the range of major environmental challenges currently faced. The threat posed by these challenges and countries' ability to address them has been exacerbated by the global pandemic declared in March 2020. As we are now seeing the roll-out of massive economic recovery programs following lockdowns, the Independent Evaluation Office is undertaking an evaluation to assess whether the GEF has the right strategy, comparative advantage, and appropriate governance structure to assist countries in building back greener after the COVID-19 pandemic. The GEF's strategic role in addressing important environmental issues through integrated approaches and other modalities, its institutional infrastructure and governance, and its ability to engage with partners—including the private sector, indigenous peoples, and civil society—will determine the ability of the GEF to help countries toward a greener and sustainable future.

Strategic financing mechanism. There was strong agreement among survey respondents that the GEF is a strategic financing mechanism for countries to fulfill their commitments to multilateral environmental agreements and conventions, with over half (56 percent) strongly agreeing and a third (37 percent) agreeing.

Figure 9.1 provides the percentages of respondents who agree or strongly agree on each strategic statement.

The current challenging pandemic points to the strong link between natural and human systems. It presents an opportunity for the GEF to demonstrate its comparative advantage in being able to address this nexus through its mandate, long experience and expertise. The GEF is the principal financial mechanism for the United Nations Framework Convention on Climate Change, the Convention on Biological Diversity, the Stockholm Convention on Persistent Organic Pollutants, the United Nations Convention to Combat Desertification, and the Minamata Convention on Mercury. The GEF also funds projects in international waters and sustainable forest management that support the implementation of a number

of global and regional multilateral environmental agreements. As the financial mechanism for the Convention on Biological Diversity, the GEF is seen as the single most significant financing mechanism for biodiversity, which attracts few other funds; and, based on the post-2020 Global Biodiversity Framework document, the GEF will be the most important financial mechanism for the Global Biodiversity Framework. However, it is by no means large enough to fulfill all needs. In the other focal areas—including international waters, land degradation, and chemicals and waste—the GEF is the only financial mechanism. In addition to environmental outcomes, GEF projects and programs also often generate additional socioeconomic benefits or health co-benefits.

Other sources of comparative advantage for the GEF include its ability to address the drivers of environmental degradation through synergies across focal areas, implement policy and regulatory reforms in countries to create an enabling environment that attracts investment, implement innovative financing models and risk-sharing approaches, and support lower-income countries and small island developing states. Given these advantages, 70 percent of respondents

were in agreement, to some degree, that the GEF is well positioned to play a pivotal role in “building back greener” after the COVID-19 pandemic. Respondents from the Africa, Middle East and North Africa, and Asia and Pacific regions were particularly more confident regarding the GEF’s positioning to play a pivotal role in helping countries build back after the pandemic.

Integrated approaches to address drivers of environmental degradation. [Section 4](#) presents early findings on the ongoing evaluation on Integrated Approach Pilots (IAPs) and Impact Programs (IPs), designed to address the drivers of environmental degradation through transformational change. Transformational change takes place when projects are ambitious to drive change; market barriers are addressed through sound policy, legal, and regulatory reforms; private sector engagement is encouraged through targeted capacity building and financial incentives; and mechanisms are in place for future financial sustainability, whether through the market, government budgets, or both.

The IAPs and IPs are relevant to the environmental issues they address and the countries/cities, and have been designed coherently in terms of alignment of program and child project objectives, results-based management frameworks, and monitoring and evaluation systems. The early findings in section 4 suggest improvements in design elements over time. Overall, survey respondents have identified the IPs as best designed to enable transformative change at the global, regional and local level. The Sustainable Forest Management IP was identified as the program best designed to enable this change, with 71 percent of respondents identifying the program as well designed to do so, followed by the Food, Land Use and Restoration IP, with 69 percent of

respondents identifying it as such. About half the respondents agree that the commodities and sustainable cities pilot programs are well designed to achieve transformative change. In general, respondents across all regions identified the IPs as significantly better designed to enable transformative change than IAPs, confirming the early evaluation findings in section 4. The impact of these programs, however, will need to be consistently monitored and reported, focusing on the drivers.

Figure 9.2 provides an overview of the percentage of respondents agreeing on the program being able to drive transformative change.

Modalities meeting intended purpose. More than 70 percent of all respondents agree or strongly agree that the GEF modalities are achieving their intended purpose (figure 9.3). While respondents to the survey show positive perceptions of all modalities, medium-size projects still need the same investment (time, resources, information) as full-size projects for much less funding, so there is less enthusiasm across the partnership to develop these, except for testing innovations or as an entry point for new Agencies. The Small Grants

FIGURE 9.1 Percentage of respondents indicating agreement/strong agreement with strategic statements about the GEF

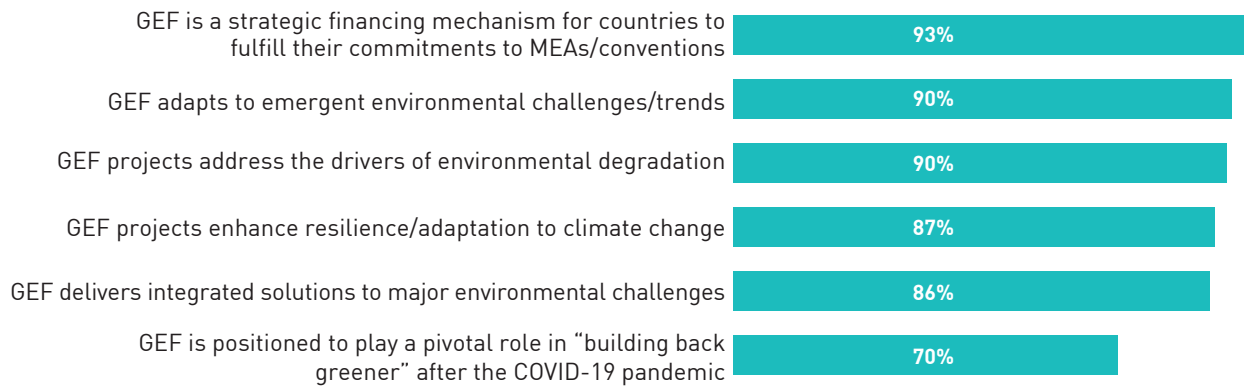


FIGURE 9.2 Percentage of respondents indicating agreement/strong agreement with IP/IAP ability to enable transformative change

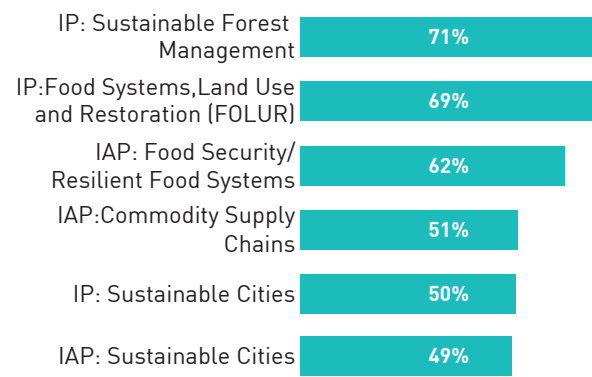


FIGURE 9.3 Percentage of respondents indicating agreement/strong agreement with modalities achieving their intended purpose



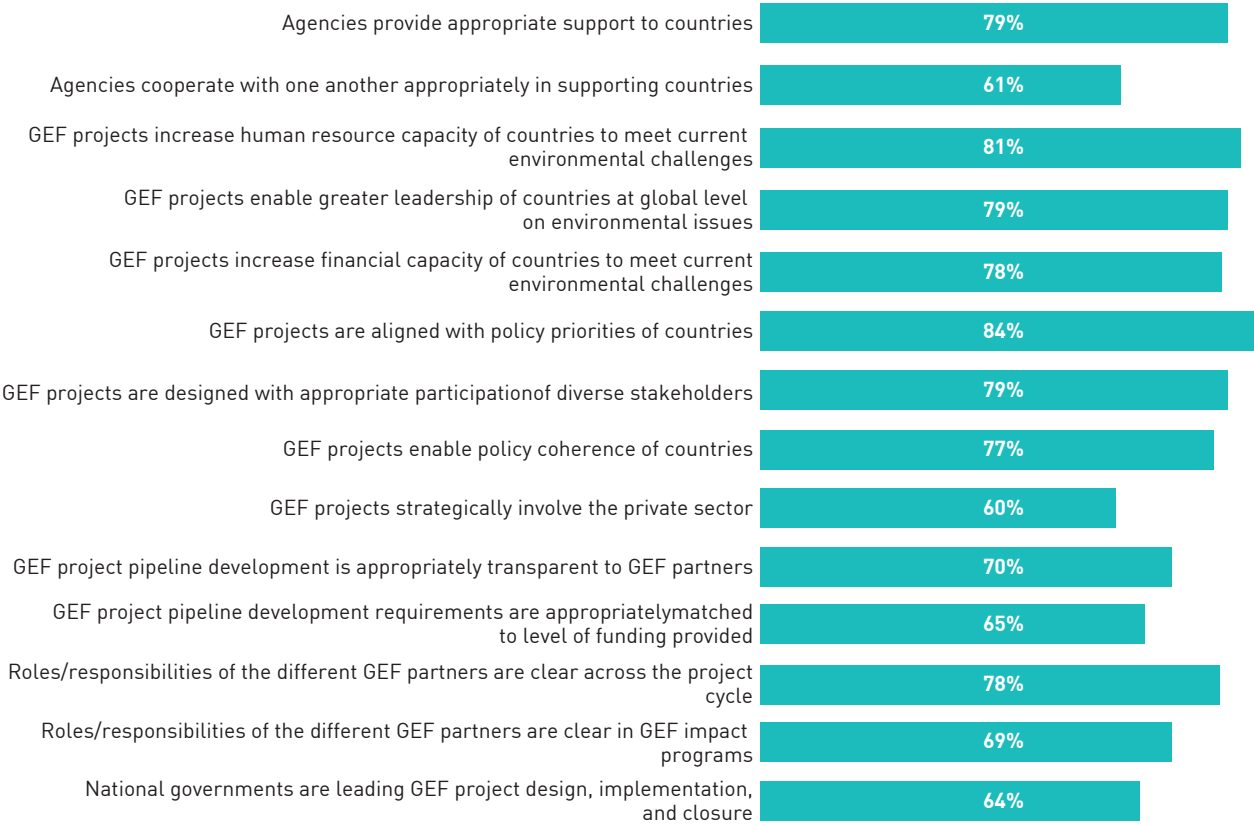
Programme has been consistent in the delivery of environmental results at local, national, and global levels and in generating economic and social benefits. The upgrading process has transferred a larger number of operational risks and transaction costs to developing countries, which has adversely affected operations. Enabling activities help countries in identifying key national priorities and in reporting to national conventions, but concerns exist regarding disbursements and administrative complexity and inefficiency. Addressing administrative issues across the modalities would improve overall efficiencies.

Relevant to countries’ environmental challenges. GEF interventions are relevant to national environmental challenges facing least developed countries, small island developing states, countries in the Sudano-Sahelian Biomes in Africa and middle-income countries. The overall sustainability of GEF interventions has been improving over time, and is influenced by, among other factors a country’s socioeconomic and political context, local conditions and knowledge, and financial and institutional strengthening support. As such GEF projects and programs will need to be tailored to the specific country needs, priorities and challenges. With a significant proportion of GEF projects in fragile and conflict affected situations,

the GEF will need to be flexible and adaptive and effectively manage risks.

Good governance, implementation concerns. In general, GEF projects are aligned with the environmental priorities of member countries. They are designed with the participation of a broad set of stakeholders and enable policy coherence. GEF projects also enhance capacities of member countries in terms of human and financial resources. The most challenging areas identified typically relate to pipeline development and project design and implementation. Nearly a third of survey respondents disagree that national governments are leading GEF project design, implementation and closure, and over a third (40 percent) believe the cooperation between implementing Agencies to support member countries for project development, implementation and closure is not appropriate (figure 9.4). The OFPs are often considered a weak link in the chain as there is quick turnover; they have large portfolios, as the OFP function is often performed by a single person who is also the OFP for the Green Climate Fund and several conventions; and there is limited decision-making authority for the OFP and for ministries of environment in general. The ministry of environment in some GEF countries develops its programmatic priorities and partners

FIGURE 9.4 Percentage of respondents indicating agreement/strong agreement with governance-related statements



of choice, but this sometimes gets overruled by more powerful sectors of government that impose themes or partners. As a result, many OFPs rely heavily on the implementing Agencies for project development. Nearly a third of the respondents also noted that the matched level of funding and the transparency of pipeline development by the GEF partners is not appropriate.

Challenging, but improving private sector engagement. The private sector is an important source of innovation and finance for the GEF and plays an important role in encouraging the development and application of new technologies and local cleantech entrepreneurship. Engaging with the private sector has been challenging, with nearly a third of respondents disagreeing, to some

degree, that the private sector is currently strategically involved. While a majority (60 percent) are in agreement, few expressed a strong agreement with the statement (17 percent). This represents an improvement since the last study done for OPS6, where less than 50 percent of respondents noted the GEF’s advantage in working with the private sector.

As pointed out in section 7, operational restrictions and lack of awareness of the GEF have resulted in limiting or not fully realizing the potential for successful engagement with the private sector. The GEF project cycle, processes, timelines, staff capacity, and required documentation are not always aligned with private sector needs and approaches. In addition, GEF country

clients and private sector stakeholders lack awareness of the opportunities for engagement with one another, in finance and beyond; and the GEF’s position, processes, and role are insufficiently clear to the private sector. Private sector respondents, large and small and medium enterprises, expect more clarity to help them better prepare for cooperation with the GEF, and see a distinct role for the GEF through its long-term regulatory and policy interventions to level the playing field. Addressing the technological, financial, and regulatory barriers for the micro, small and medium enterprise sector will be important given their predominance in GEF recipient countries. The 2020 GEF private sector engagement strategy and action plan seeks to address many of these challenges.

Institutional infrastructure: policies and systems that work. The GEF policies and guidance are generally well reflected in the GEF’s vision, strategic priorities and operational principles, all of which emphasize mobilizing local and global stakeholders, broadening partnerships/alliances, gender mainstreaming and women’s empowerment. The three policies are generally consistent in their structure. They each outline mandatory requirements, including for monitoring and reporting. Three key factors ward against optimal policy implementation: (1) human resources capacity/availability to design and deliver activities under the policy requirements (both at the GEF and among some Agencies), (2) time and budget limitations during the identification and design phases of the project cycle, and (3) cautionary stances by some governments toward inclusion in the program/project cycle of certain stakeholder groups.

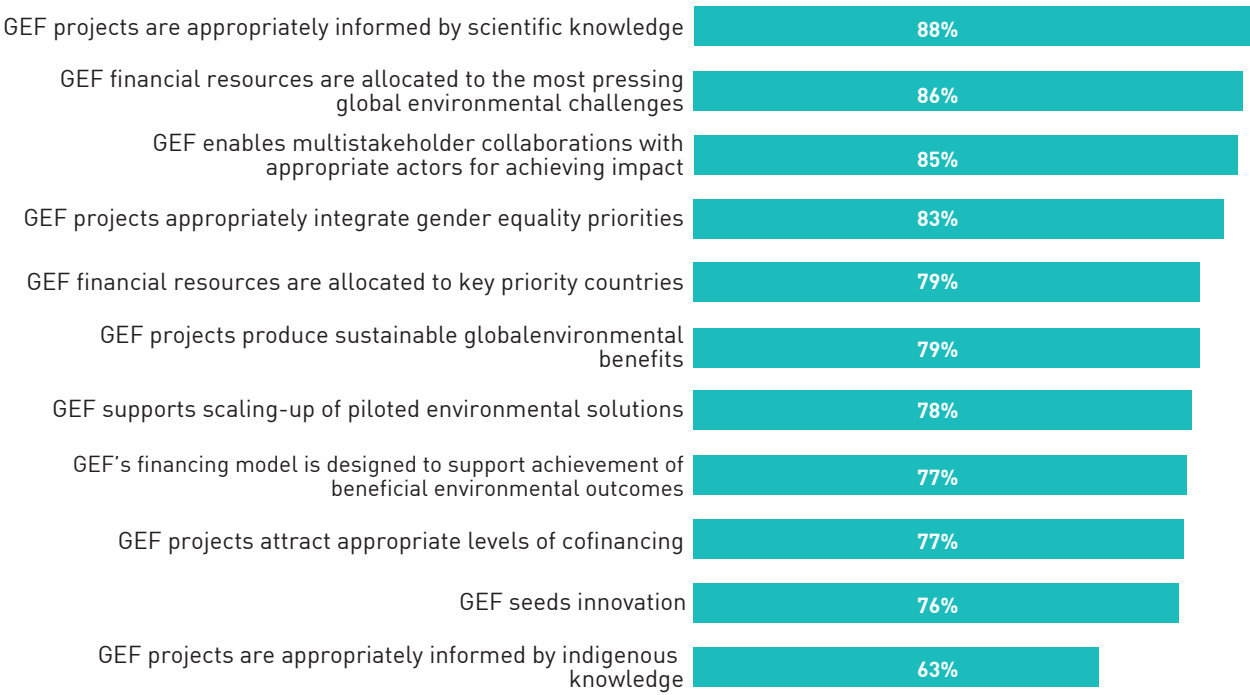
The roll-out of the new Portal has vastly improved the availability and quality of project information.

The quality of terminal evaluations has improved over time and self-evaluation systems are broadly meeting their goals of accountability and learning. Knowledge products and training offerings have increased and are well appreciated. Making the Portal still more user friendly and leveraging the information for knowledge management would be a useful next step.

Overall areas of comparative advantage. Corroborating the various areas of comparative advantage discussed in this section, 75 percent of survey respondents across the partnership ranked the GEF’s scientific knowledge, focus on global environmental challenges, and ability to foster multistakeholder alliances as the top three areas of comparative advantage (figure 9.5). However, a lower level of agreement was noted for the appropriate inclusion of Indigenous knowledge, where nearly a quarter (22 percent) of respondents disagreed, to some degree, that indigenous knowledge appropriately informed GEF projects. These results confirm the findings presented in the earlier sections on the strong track record of the GEF in delivering good project performance, generating environmental benefits, and supporting innovation.

Summary. In summary, this subsection presents some of the GEF’s challenges and opportunities in becoming a central actor in promoting a green future. As the world emerges from the current pandemic, there will be a lot of pressure on getting economies back on track. Like after the 2008 crisis, the temptation is to get the economy growing at any rate. In fact, there already are estimates that only a small fraction of any recovery efforts has been through policies and programs that are environmentally sound. There still is very little recognition of the linkages between natural and human systems. And where environmental

FIGURE 9.5 Percentage of respondents indicating agreement/strong agreement with areas of the GEF’s comparative advantage



problems are recognized, they are almost exclusively focused on climate change.

The current COVID-19 pandemic presents opportunities for the GEF, as it has dramatically elevated the world community’s interest in and focus on health—particularly human health. But it has also elevated the interest of the global community in health across humans, domestic animals, wild species, and the environment: One Health. This has created space for the GEF to take on board One Health as a global environmental benefit and the potential to broaden global interest in conservation and the environmental commons, particularly food security and global health.

The GEF’s strengths would work to its advantage in helping countries on the path to a greener future. Its long and good track record in the global

environmental arena, across multiple convention areas (not just climate, but biodiversity, land, water, and chemicals), work at the nexus of natural and human systems. In addition to global environmental benefits, the GEF’s interventions have generated socioeconomic benefits, improving livelihoods and human health. The focus on greater integration seems justified as it broadly addresses the drivers of environmental degradation through a systems approach that recognizes the links between the environment and economic well-being. The GEF can innovate more than others—and more than it has done—and can adapt and learn, but it needs to be flexible and address some of the operational constraints to help recipient countries toward a greener recovery.

Annex: OPS7 approach paper



GEF/C.58/xx
March 24, 2020

58th GEF Council Meeting
June 2-4, 2020
Washington, D.C.

Agenda Item xx

APPROACH PAPER
SEVENTH COMPREHENSIVE EVALUATION OF THE GEF
(Overall Performance Study- OPS7)

DRAFT

Recommended Council Decision

Regarding the Seventh Comprehensive Evaluation of the GEF Approach Paper of the Independent Evaluation Office.

The Council, having reviewed the Document GEF/ME/C.5 /0, “Seventh Comprehensive Evaluation of the GEF (OPS7)-Approach Paper,” approves this approach paper. The Council requests the Evaluation Office to conduct the Seventh Comprehensive Evaluation (OPS7) and to provide the evaluation report to the Replenishment process and to the Council according to the schedule presented.

TABLE OF CONTENTS

Introduction1

Background3

1. Evolution of the GEF Overall Performance Studies (OPS).....3

2. The Context for the 8th GEF Replenishment6

3. Objectives and Audience for the Seventh Comprehensive Evaluation7

Approach to Preparing the Seventh Comprehensive Evaluation7

1. Issues, questions and scope8

2. Strategy and Institutional Issues8

1. Relevance and the Global Contribution of the GEF8

2. GEF Performance, Impact and Sustainability 11

3. Methodological Notes 14

Organizational Issues 14

1. Stakeholder consultations..... 14

2. Quality Assurance..... 15

3. Deliverables..... 15

4. Schedule and Budget..... 15

Annex I: References 17

Annex II Approved IEO Evaluation Program FY19-22 18

Annex Iii: The Gef Theory Of Change..... 20

TABLES

Table 1: Relevance and the Global Contribution of the GEF9

Table 2: Performance, Impact and Sustainability 12

INTRODUCTION

1. The 8th replenishment of the GEF will take place in an international context that is very difficult to predict and navigate. The global environment continues on a downward trend, and several years after the financial crisis of 2008, the world economy is still struggling with slow growth and constrained government budgets. The current global pandemic will place additional pressure on budgets at all levels of country governments. Several other global challenges exist, which will require significant public-private cooperation to be addressed (World Economic Forum, 2020). These challenges include a 2 billion global population increase by 2050 accompanied by a rapid increase in the global middle class by 3 billion in the next two decades, rapidly growing unemployment, income and wealth inequality within and across countries, marginalization and agrarian stress, which will continue to increase pressure on resources in the coming decades. These trends will require the world to meet a doubling in demand for food, energy, human habitat, transportation, and others that create direct pressures on the global environment. Further, the international environmental architecture of conventions, funds, programs and donors continues to show increasing fragmentation, making it more difficult to coordinate and harmonize funding for the implementation of environmental activities globally.

2. The response to these global environmental challenges has increased significantly in recent years. Annual tracked climate finance flows in 2017 and 2018 reached a level of USD 579 billion for the first time, representing a USD 116 billion (25%) increase from 2015/2016 (Climate Policy Initiative, 2019). Approximately US\$253 billion of global climate finance was committed by the public sector. Development Finance Institutions (DFIs) continued to provide the majority of public finance, contributing USD 213 billion annually, or 84% of tracked public finance with 25% through Multilateral Development Banks which have further mainstreamed environmental issues into the development agenda. Multilateral climate funds, including the GEF, increased annual financing to USD 3.2 billion in 2017/2018, up 43% from 2015/2016. The Green Climate Fund (GCF), the Global Environment Facility (GEF) and the Climate Investment Funds (CIF) provided 50%, 32% and 14% respectively of the finance. Increased spending was primarily driven by GCF and GEF, which saw finance flows increase by USD 0.9 billion and USD 0.6 billion from their 2015/2016 levels, respectively. The private sector provided on average USD 326 billion per year during 2017 and 2018, a 31% increase from the 2015/2016. While climate finance has reached record levels, action still falls far short of the estimates at the low end of USD 1.6 trillion needed between 2016 and 2050 under a 1.5 °C scenario (IPCC 2018), or the costs of adaptation estimated at USD 180 billion annually from 2020 to 2030 (Global Commission on Adaptation (GCA 2019).

3. The GEF continues to occupy a unique space in the current global environmental financing architecture. Its comparative advantage derives from its role in financing the major Multilateral Environmental Conventions (MEAs), including the Convention on Biological Diversity (CBD), the United Nations Framework Convention on Climate Change (UNFCCC), the Stockholm Convention on Persistent Organic Pollutants, the Minamata Convention on Mercury and the United Nations Convention to Combat Desertification (UNCCD). In addition, the GEF provides funding support to countries with economies in transition to phase out ozone depleting substances under the Montreal Protocol. The GEF also funds projects in International Waters and Sustainable Forest Management that are consistent with the objectives of the United Nations Forum on Forests (UNFF). The GEF also occupies a unique space in the global financing architecture by delivering global environmental benefits across

multiple domains.

4. The 2020 vision for the GEF aimed at positioning the GEF to be a champion of the global environment building on its role as financial mechanism of several multilateral environmental conventions (MEAs), supporting transformational change, and achieving global environmental benefits on a larger scale through integrated approaches (GEF 2020 Strategy, 2014). Integrated and systems-based approaches (i.e. those that consider multiple benefits at the same time) enable cross linkages to be explored and system-wide effects to be managed, so that policies can effectively support a number of social, economic and environmental goals to support human well-being, ensuring that various preconditions are in place (Global Environment Outlook, 2019). To achieve this vision, the GEF 2020 strategy was focused on designing interventions that would address the drivers of environmental degradation, support innovative and scalable activities and deliver the highest impacts cost effectively.

5. During the 7th replenishment negotiations, in addition to the focal area strategies, there was broad support for further building on the innovative programming directions introduced in GEF-6. Replenishment participants agreed that the impact programs, building on the lessons of experience of the integrated approach pilots (IAPs), could keep the GEF on the leading edge of innovation and improve its responsiveness to regional and global issues.¹ The GEF-7 programming strategy builds on these IAPs and includes “Impact Programs” focusing on (i) Food systems, Land Use and Restoration; (ii) Sustainable Cities; and (iii) Sustainable Forest Management. These Impact Programs have been designed with the objective of helping countries pursue holistic and integrated approaches for transformational change in these key systems in line with countries’ national development priorities. The Impact Programs also have the objective of engaging the private sector, enhance knowledge sharing and learning, and ensure a more effective use of GEF resources (GEF-7 Programming Directions, GEF/R.7/19, April 2018).

6. To achieve its overall objective of enhancing global environment benefits, GEF has an expanded network of implementing partners. The network has expanded from the initial three implementing agencies (UNDP, UNEP and the World Bank Group) to 18 implementing agencies today. The GEF continues to utilize the “System for Transparent Allocation of Resources (STAR)” which was designed to provide predictable funding to recipient countries, contribute to country ownership, enhance country engagement and promote flexibility in programming. At its 54th meeting in June 2018, the GEF Council approved a new Policy for the System for Transparent Allocation of Resources (STAR), which introduced modifications to STAR as agreed by the Participants to the seventh replenishment of the GEF Trust Fund (GEF-7). The policy and associated guidelines are effective as of July 1, 2018.

7. The negotiations for the eighth replenishment of the GEF will be informed by an overall Comprehensive Evaluation of the GEF conducted by the Independent Evaluation Office (IEO). It is expected that the Seventh Comprehensive Evaluation of the GEF will be a working document

¹ The three Integrated Approach Pilots (IAP) in GEF-6 included Fostering Sustainability and Resilience for Food Security in Sub-Saharan Africa IAP, the Sustainable Cities IAP and the IAP on taking Deforestation out of Global Commodity Supply Chains. They were all designed with the objective of addressing global environmental issues more holistically, within a much broader and more complex set of development challenges.

of the next Assembly of the GEF, which will be held in 2022.

8. This approach paper is intended to form a basis for discussion in preparing the next Comprehensive Evaluation of the GEF (OPS7). The purpose is to guide the preparation of the inputs into OPS7 and to facilitate constructive dialogue in the GEF and among its partner agencies. This evaluation will assess the results and lessons learned from the implementation of the GEF2020 Strategy, the progress on the recommendations made in OPS6, and the design and progress on the implementation of the GEF7 strategy. In addition, the report will, inter alia, address GEF’s record on innovation and scaling up impacts, issues of efficiency (through value for money analysis), discuss socio economic benefits in addition to environmental co-benefits in projects that cut across focal areas, provide early insights into the results of the integrated approach pilots and the design of impact programs, report on the progress towards (a) achieving gender mainstreaming and women’s empowerment, (b) enhancing the role of the private sector, (c) implementing policies on safeguards, stakeholder engagement including civil society and indigenous peoples, and (d) strengthening results based management and knowledge sharing,

9. This paper begins with a brief discussion on the conclusions of the GEF Overall Performance Studies (OPS). This is followed by the key areas of focus and the evaluation questions for this comprehensive evaluation, the sources of evaluative evidence and the methodological considerations and limitations. Based on preliminary discussions with GEF partners, with participating agencies, members of the GEF Council and the GEF Secretariat, the paper has identified issues to be addressed. The approach paper also highlights the various gaps that would need to be filled through additional studies that are not currently part of the approved IEO work program.

10. In preparing this approach paper the IEO has initiated a consultative process with a variety of stakeholder groups. In addition, the draft approach paper for the Comprehensive Evaluation of the GEF (OPS7) will be posted on the IEO website inviting comments and suggestions from GEF constituencies and partners. A five-member external review panel will advise the IEO throughout the evaluation process in addition to providing quality assurance.

BACKGROUND

1. Evolution of the GEF Overall Performance Studies (OPS)

11. The first study³ of the restructured GEF was requested by the Council in 1996. The study concluded that, in general, the GEF had performed effectively in creating new institutional arrangements and approaches to programming its resources in the four focal areas of its work and had been quite successful in leveraging co-financing for GEF projects with some positive impact on policies and programs in recipient countries. The study further concluded that good stakeholder involvement and participation in GEF projects was one of the key strengths in GEF operations.

12. The Second Overall Performance Study (OPS2)⁴ was designed to assess the extent to which GEF had achieved its primary objectives as specified in the 1994 restructuring and GEF policies of subsequent years. The evaluation concluded that GEF-supported projects were able to produce significant results that address important global environmental problems⁵. It was clear around 2002 that the GEF had produced a wide array of project results considered important in achieving future positive environmental impacts.

13. The Third in the series of Overall Performance Studies (OPS3)⁶, was prepared during the period between September 2004 and June 2005. Specifically, it evaluated the 1) results of GEF activities, 2) sustainability of results at the country level, 3) GEF as a catalytic institution, 4) GEF policies, institutional structure and partnerships, and 5) GEF implementation processes. OPS3 concluded that while there had been substantial progress in the GEF system with a much better informed stakeholder group as well as better functioning processes than four years before, there was need for “constructive dialogue” in defining baselines in the face of a moving target; for example, as additional species are catalogued or as abandoned stockpiles of POPs are uncovered.⁷

14. The effort to determine progress towards results within the GEF continued in OPS4⁸. The study concluded that the GEF was relevant both to the conventions and to regional and national priorities. GEF projects were assessed to be effective in producing sustainable outcomes. Seventy (70%) per cent of completed projects were expected to make progress

³ <https://www.thegef.org/gef/sites/thegef.org/files/documents/OPS1.pdf>
⁴ <https://www.thegef.org/gef/sites/thegef.org/files/documents/OPS2.pdf%20ENGLISH.pdf>
⁵ The first Decade of the GEF; Second Overall performance Study, January 25, 2002
⁶ <https://www.thegef.org/gef/sites/thegef.org/files/documents/OPS3%20Final%20Documents%20Complete%20Report.pdf>
⁷ <https://www.thegef.org/gef/sites/thegef.org/files/documents/OPS3%20Final%20Documents%20Complete%20Report.pdf>
⁸ https://www.thegef.org/gef/sites/thegef.org/files/documents/FULL%20REPORT OPS4%20Progress%20Toward%20Impact_0.pdf

toward global environmental benefits. However, follow-up actions from national partners were key impact drivers that required attention. The study recommended improving the efficiency of the GEF with an emphasis on programming, reducing the period for project identification, improving project formulation and enhancing the fee structure. It also recommended a more integrated learning and a results-based management framework that provided the basis for measurement of progress towards impact.

15. The Fifth Overall Performance Study of the GEF (2014) concluded that the GEF was achieving its objectives and had played a catalytic role in supporting countries in meeting their obligations under the Multilateral Environmental Agreements (MEAs) and in tackling global environmental issues. As a network, OPS5 noted that the GEF continued to search for ways to function as smoothly as possible. The report argued that network interactions had been scaled back, and effective interaction was adversely affected. Delays in the project approval process which had often occurred in the past were reduced but were not efficient. The report questioned the appropriateness of the organizational and business model and concluded that there was a need for the GEF to reflect and find appropriate solutions in the sixth replenishment period⁹. These issues were specifically addressed in the sixth comprehensive evaluation (2018).

16. The Sixth Comprehensive Evaluation of the GEF or OPS6 (2018) was the first comprehensive evaluation of the GEF addressing relevance, performance and impact, institutional and governance issues. The evaluation noted the strong track record of the GEF in delivering overall good project performance, being catalytic and in driving transformational change. Progress was noted in programs, policies and systems, with recommendations for further improvement.

17. The shift towards programmatic approaches and integration across focal areas were found to be relevant in addressing drivers of environmental degradation; but complex designs had implications for outcomes, efficiency and management. The IAPs were relevant to the environmental issues they addressed had been designed coherently in terms of alignment of program and child projects objectives, result-based management frameworks and M&E systems. They also had innovative knowledge components. However, the evaluation noted that improvements were needed on several fronts in these pilots: targets needed to be better specified and measured and there was a need to demonstrate program additionality over a set of discrete projects. There were inefficiencies caused by delays in designing and launching the IAPs. The management of these complex programs was resource intensive involving a number of implementing and government agencies, and countries. The selection process of countries and agencies was not always transparent.

18. The evaluation highlighted that GEF policies on gender mainstreaming, and on safeguards and indigenous peoples had clearly advanced GEF's efforts in these areas, but gaps existed in the frameworks relative to good practice in Partner agencies, and in implementation. Operational restrictions and lack of awareness in the GEF resulted in not fully realizing the potential for successful engagement with the private sector. The Project Management Information System, the Results Based Management System and the Knowledge Management system had improved but failed to keep pace with the needs for real time project information, monitoring data for decision making, or knowledge sharing to improve project design and implementation.

19. The recommendations from OPS6 highlighted the importance of a continued focus on the integrative principle in GEF programming with an emphasis on improving efficiency, transparency, innovation and additionality; designing a strategy for greater private sector engagement; developing policies and implementation guidelines on gender, safeguards, engagement with indigenous peoples; and improving systems for project management information and knowledge sharing. These recommendations were endorsed by the GEF replenishment committee and were included in the GEF-7 policy recommendations. This comprehensive evaluation will, *inter alia*, assess GEF's progress in addressing the gaps identified in OPS6.

2. The Context for the 8th GEF Replenishment

20. The GEF-8 replenishment will take place against a background of declining environmental trends, pressures on humans and the environment, and a world economy recovering from a previous financial crisis and a global pandemic. In fact, the GEF is even more important within the context of this pandemic. The scientific literature highlights how destroyed habitats provide perfect conditions for such viruses to thrive. "We invade tropical forests and other wild landscapes, which harbor so many species of animals and plants—and within those creatures, so many unknown viruses," David Quammen, author of *Spillover: Animal Infections and the Next Pandemic*, recently wrote in the New York Times. "We cut the trees; we kill the animals or cage them and send them to markets. We disrupt ecosystems, and we shake viruses loose from their natural hosts. When that happens, they need a new host. Often, we are it." Against this backdrop, the GEF plays a very important role in reducing environmental stresses, improving biodiversity and reducing deforestation.

21. As the GEF 2020 Strategy draws to a close, the seventh comprehensive evaluation of the GEF will assess GEF's progress on the implementation and achievements of GEF2020 strategy against the objectives of greater integration, innovation and scaling up, and achieving impacts with greater efficiency. OPS7 will provide evidence on (a) the achievements, results and performance of the GEF— both in focal areas as well as in multi focal projects, with a special focus on sustainability, (2) the performance of the integrated approach pilots and design elements of the impact programs with an emphasis on innovation and additionality; (3) progress on the implementation of GEF's operational policies.

22. OPS7 will build on the findings of OPS6 and address areas of GEF support not evaluated in OPS6 and include evaluation updates on initiatives undertaken during the GEF-7 period. New thematic areas of focus in the OPS7 will include (1) GEF's performance and sustainability in countries through the Strategic Country Cluster Evaluations and an evaluation of GEF's country support program; (2) evidence on the performance of the Small Grants Program and the Medium Size Projects modality; (3) special themes in the focal areas including the Clean Technology program and a review of GEF's support to transport within climate change, GEF support to freshwater and fisheries in International Waters, the Planet Gold Program in Chemicals; a study of GEF's Sustainable Forest Management initiatives and Biodiversity Mainstreaming. Private sector support to small and medium enterprises in the clean technology and artisanal gold mining sectors and GEF performance in fragile and conflict affected situations are other thematic areas being addressed in OPS7. Among GEF policies, the stakeholder engagement policy will be evaluated in-depth, and updates will be provided on the evaluations conducted on safeguards, gender, and engagement with indigenous peoples

and civil society, which were included in OPS6. Recent changes in GEF-7 to the resource allocation mechanism STAR, policies to improve operational efficiency, the redesigned results portal and knowledge management initiatives will also be reviewed as updates to previous OPS6 evaluations. The concept notes and approach papers for all the evaluations feeding into OPS7 are available on the GEF IEO website.

23. Key evaluation parameters such as relevance, impact, performance, and the catalytic role of the GEF which were investigated in earlier OPSs are now a part of the regular work program of the IEO. Since OPS6, the IEO has also explored the factors affecting sustainability of GEF interventions and focused on the innovation and additionality of the GEF. OPS7 will draw on accumulated evaluation evidence by the IEO during the period 2018–2021. The evaluation will also draw on completed evaluations undertaken by other independent evaluation offices of GEF agencies during the OPS7 period. Under the travel restrictions imposed by the global pandemic, OPS7 will significantly draw on online data gathering efforts, geospatial analysis, and data collected on previous field missions. The IEO is also working closely with local consultants to assist with field work. The overall aim is to distill evidence from a variety of sources to provide insights into the role the GEF has played and could potentially play within governments and in GEF agencies in supporting the environmental agenda.

3. Objectives and Audience for the Seventh Comprehensive Evaluation

24. The overall purpose of the Seventh Comprehensive Evaluation of the GEF is to provide solid evaluative evidence to inform the negotiations for the eighth replenishment of the GEF. Consistent with the objectives of the previous overall performance studies and the GEF Instrument, the objective of OPS7 is to assess the extent to which the GEF is achieving its objectives as laid down in the GEF Instrument, in reviews by the Assembly, as developed and adopted by the GEF Council in operational policies and programs for GEF financed activities, with a view to identify potential areas for improvement going forward.

25. The four-year work program and budget of the Independent Evaluation Office presents the strategy, programming and other knowledge work for the GEF7 period (Annex II). This was discussed and approved by the GEF Council in June 2018. The work program was designed to provide evaluative evidence on the performance of GEF projects from earlier replenishments and on the major strategies and programs approved in the Seventh Replenishment of the GEF. As such, all evaluations conducted between 2018 and 2021 and have been approved in the work program will feed into the comprehensive evaluation; any additional studies that may be required to address specific questions and issues relevant for the replenishment process will be carried out over the 2021 fiscal year.

26. The audience for the Seventh Comprehensive Evaluation comprises replenishment participants, the GEF Council, the GEF Assembly, members of the GEF partnership and external stakeholders. Relevant findings will be presented to stakeholders and parties in the GEF, including the GEF Secretariat, GEF Agencies, STAP, the GEF CSO network, civil society groups that include private and public sector entities as well as the academic community. Findings will be shared through existing channels such as the Expanded Constituency Workshops, the IEO website, webinars and GEF CSO network meetings. The evaluation will also be distributed to the MEA secretariats and their conferences of the parties.

APPROACH TO PREPARING THE SEVENTH COMPREHENSIVE EVALUATION

1. Issues, questions and scope

27. The Comprehensive Evaluation will deal with two related themes: (1) strategy, institutional and programming and (2) the performance and impact of the GEF. Evaluations conducted by the Independent Evaluation Office and relevant evaluations conducted by GEF partner agencies over the period 2018 to 2021, will feed into the comprehensive evaluation.

28. The IEO GEF-7 work program was developed to assess the progress of the GEF against the key strategic priorities included in the GEF-7 programming directions, and the progress in implementation of policies designed to support the effective functioning of the GEF. The overall approach of IEO evaluations in the GEF-7 period addresses impact and sustainability, drivers of environmental degradation, additionality, innovation, and scaling up through the various thematic and focal area evaluations. Results at the country level are assessed through strategic country cluster evaluations (SCCEs), and the country support program; performance of the GEF partnership in terms of relevance, efficiency and effectiveness will be assessed through the Annual Performance Reports and terminal evaluations. In addition, the evaluation of the integrated approach pilots (IAPs) and impact programs (IPs) will provide evidence on the GEF 2020 strategy for greater integration. The implementation of GEF policies on safeguards, gender, engagement with stakeholders, civil society, the private sector and indigenous peoples; and GEF systems to support effective results management and knowledge sharing will also be assessed. Besides the evaluation work of the GEF Trust Fund, evaluations of the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF) constitute part of the body of work that would contribute to the Comprehensive Evaluation of the GEF.

29. Several technical reports and an overall OPS7 synthesis report will be prepared to inform the eighth replenishment process. The synthesis report will provide analyses of trends in performance and impact of the GEF, and evidence from the evaluations commissioned by the IEO and its partner agencies. The reports will be timed to support the GEF Council's replenishment exercise with the draft report being submitted to the June 2021 meeting.

2. Strategy and Institutional Issues

Based on the inputs received from stakeholders, themes that will be addressed in OPS7 include:

1. Relevance and the Global Contribution of the GEF

- (a) Relevance of the GEF
- (b) Results and lessons from the implementation of the GEF 2020 Strategy
- (c) Design and Implementation of the GEF-7 Strategy
- (d) Implementation of GEF policies including gender, stakeholder engagement, safeguards, engagement with civil society and indigenous peoples
- (e) Institutional processes including results-based management and knowledge management
- (f) GEF's Country Support Program

30. The matrix in Table 1 below details the key questions related to the themes above, identifies potential sources of information, and the scope and limitations of the studies.

Table 1: Relevance and the Global Contribution of the GEF

Key Issue	Evaluation Question	Sources of Evidence	Scope & Limitations
Relevance of the GEF	To what extent is the GEF relevant globally and how could its global relevance be enhanced? What is the comparative advantage of the GEF in the changing landscape? How relevant is the GEF to the guidance of the conventions, as emerging from the evaluations in the period 2018-2021? What are the implications of the focus on integrated approaches and impact programs?	Environmental/ scientific literature, patterns of government spending, interviews with governments and international development agencies, Conventions, and research institutions. Focal area studies, terminal evaluations evaluation of Enabling Activities and the Country Support Program.	Broad review of existing literature and interviews with internal and external stakeholders. Relevance will be assessed in terms of both alignment with the global context (including the SDGs) and needs, and alignment with the Conventions. Issues related to relevance will also be synthesized from Focal area studies, the Enabling Activities evaluation, project level evaluations and the integrated approaches/impact programs evaluations.
GEF 2020 Strategy	What are the results and lessons learned from the implementation of the GEF 2020 strategy, particularly with respect to the objectives of greater integration, scaling up and delivering impacts with efficiency?	GEF 2020 Strategy, Sixth Comprehensive Evaluation of the GEF, the SCCEs, Scaling Up Study, Evaluation of IAPs and IPs, Value for Money Analysis of Sustainable Forest Management, Biodiversity and land degradation interventions	Strategy will be assessed against objectives in terms of integration, impacts, scaling up and efficiency. Additionality and innovation of the IAPs and IPs will also be assessed.

GEF-7 Strategy	To what extent is the GEF7 strategy on track to achieving its objectives? What does the early evidence suggest on the impact programs?	GEF-7 Programming Directions, Special studies on focal areas, Strategic country cluster evaluations, Formative evaluation of impact programs and mid- term evaluation of the integrated approach pilots.	This will draw on the focal area updates, the private sector study on SMEs, the scaling up evaluation, the assessment of the IAPs and formative review of the IPs which is focused on design elements based on a quality at entry analysis.
GEF Policies on Safeguards, gender, engagement with stakeholders, Indigenous Peoples, private sector and civil society	To what extent have the policies been implemented and mainstreamed into GEF projects since the development of the respective policies? How has engagement with civil society, indigenous peoples and the private sector been reflected in GEF projects and what are findings and lessons ?	GEF policy documents, IEO evaluations of policies including benchmarks of good practice in design of policies, evidence on inclusion of gender, civil society, private sector and indigenous peoples from IEO thematic, focal area evaluations and SCCEs; quality at entry assessment of projects for compliance with the policies since Council approval.	IEO has conducted in depth evaluations of the gender, safeguards, indigenous peoples and the GEF CSO network. The evaluation will provide evidence from recent projects to assess the extent to which the policies are being implemented. The stakeholder engagement policy will be a comprehensive assessment.
Results Based Management (RBM) and Knowledge Management 9KM)	Does the RBM system meet the needs of the partnership for good project monitoring information? Do the self evaluation systems provide good quality information for accountability and learning? Is the GEF performing as a major data and information provider and are there any systemic issues to be addressed?	An evaluation of GEF’s results framework, GEF portal, and review of self-evaluation systems. Progress on the implementation of the KM strategy through the implementation of various knowledge management initiatives.	Assessment of the GEF portal and the ongoing review of agency self-evaluation systems. Desk study and interviews with stakeholders, evidence from the knowledge platforms in the IAPs and impact programs, review of recent projects for review of KM in design elements.

2. GEF Performance, Impact and Sustainability

31. The evaluation of performance, outcomes, impacts and sustainability will consider the following key themes, with the primary objective of assessing GEF’s contributions to addressing drivers of global environmental degradation.
- (a) Trends in performance: Outcomes, sustainability and progress towards impact; quality at entry, co-financing, supervision.
 - (b) The catalytic role of the GEF as characterized by projects that focus on innovation and scaling up.
 - (c) Impacts and sustainability of GEF support to countries through the Strategic Country Cluster Evaluations (SCCEs) in Small Island Developing States, Africa Sudano-Sahelian Biomes and the Least Developed Countries; GEF outcomes in Fragile and Conflict situations; GEF impacts through the Small Grants Program (SGP) and Medium Size Projects (MSP).
 - (d) GEF’s engagement with the private sector with a special focus on GEF’s impacts on small and medium enterprises
 - (e) Performance and impact in focal areas: special themes on fisheries and freshwater in International Waters, clean technology and transport in climate change, the Planet Gold Program in Chemicals and Waste, Sustainable Forest Management and Biodiversity Mainstreaming.
32. Providing insights into these issues will involve a meta-analysis of the IEO evaluations undertaken during the 2018-2021 period. A meta-analysis is essentially a systematic synthesis of evaluation studies that provides information to facilitate examination of patterns, trends and relationships with the aim of providing a greater understanding and importance of program characteristics, outcome domains and methods. While meta-analyses are not necessarily easy to conduct because the evaluations are derived from difference sources with dissimilar methods, data quality and reliability making comparisons difficult, evaluations undertaken by the IEO are less likely to face the same difficulties. These evaluations use similar approaches and methods making data aggregation and comparison much easier.
33. A major exercise was undertaken during OPS5 and once again in OPS6 to assemble, clean-up and validate a database of GEF interventions through exchanges with the GEF Secretariat, GEF Agencies, and the Trustee. The OPS6 database will serve as a starting point for conducting the meta-analysis for the 7th Comprehensive Evaluation of the GEF. Updates will produce two lists of projects. A list of 1) completed and 2) on-going projects after OPS6 closed. These databases will be used to conduct a meta-analysis of trends in GEF support in terms of modalities, focal areas, countries and regions covered and in terms of performance (results and impact) for closed projects. Table 1 below presents a matrix of issues to be considered in the meta- analysis. It includes key evaluation questions and the sources of evaluative evidence.

Table 2: Performance, Impact and Sustainability

Key Issue	Evaluation Question	Sources of Evidence	Scope & Limitations
Trends in performance (Outcomes, Sustainability and progress towards impact)	What are the outcome and performance ratings on outcomes and sustainability of completed GEF projects, for which terminal evaluations are available (2018-2021); what are the trends in cofinancing, quality of supervision, project cycle?	Terminal evaluations of projects, strategic country cluster evaluations (SCCEs), impact evaluations of small and medium enterprises, Annual Performance Reports (APR) ; LDC/SCCF Annual Evaluation Report	Changes in trends will be observed from the portfolio analysis, focal area studies, and IAPs and IPs.
Innovation and Scaling Up (Catalytic role of the GEF)	What is the evidence on the GEF record for supporting innovation? What are some of the factors that have influenced innovation and scaling up in the GEF? Does the GEF support risk taking to encourage innovation?	Innovation and scaling up evaluations; the IEO framework on additionality; SCCEs, Thematic, focal area and evaluations of GEF support to the private sector.	The innovation evaluation will develop a framework for innovation which will be applied to determine GEF’s innovation projects and programs. The scaling up study also develops a framework assessing factors that influence scaling up, and demonstrates these through case studies.
GEF Performance and Impact	What are the impacts of GEF support in countries? How sustainable are the GEF interventions over the long term? Do GEF projects adequately plan for context in operating in fragile and conflict situations?	The SCCEs in LDCs, the Africa Sudano-Sahelian Biomes, and the SIDS; the evaluation of GEF in fragile and conflict affected situations; the evaluation of the Country Support Program, evaluation of enabling activities, Small Grants Program, and Medium Size Projects, and the evaluation; terminal evaluations.	This theme cuts across all the thematic evaluations which focus on impacts, additionality, and sustainability. Cross cutting themes of gender, safeguards, engagement with civil society and indigenous peoples will be addressed.

Focal Area Results (Special themes)	GEF's engagement with the private sector	What are the impacts, additionality and sustainability of GEF interventions in specific thematic areas? Do the IAPs and IPs align with the focal areas? Do the focal areas align meaningfully with the objective of supporting integrated solutions?	An impact evaluation of GEF support to SMEs in the artisanal gold mining and the renewable energy sectors; evaluation of the Clean Tech program; evaluation of private sector participation in the IAPs and IPs.	Focal area special theme evaluations, evaluations of IAPs and IPs.	Special topics include evaluation of the fisheries and freshwater portfolio, the Planet Gold Program, the Sustainable Forest Management Program, Biodiversity Mainstreaming, and the transport and Clean Tech Program.
		How has the GEF supported the large proportion of small and medium enterprises in the private sector in client countries? How is the GEF effectively leveraging the private sector through the IAPs and IPs?	A comprehensive review of GEF's engagement with the private sector was completed in OPS7. This study will focus on GEF support to SMEs and GEF engagement through the IAPs and IPs.		

3. Methodological Notes

34. This Comprehensive Evaluation of the GEF (OPS7) is a synthesis of the evaluations conducted over the 2018-2021 period. There is some variability in the methods used for the cohort of evaluations and studies that feed into the comprehensive evaluation, depending on the objectives of the evaluations. These methods are detailed for each evaluation in the approach papers/ concept notes and are available on the IEO website. In general, however, the specific methods used to design the evaluations, collect data; methods of analysis and the validation of findings follow international good practice standards in evaluation. They include: a review of the scientific and relevant evaluation literature; development of a theory of change; document reviews; portfolio analysis; structured and semi-structured interviews; surveys; the use of GIS and remote sensing methods; rapid impact evaluations; stakeholder consultation, country and field visits; statistical analysis; qualitative analysis; case studies analysis and triangulation of quantitative and qualitative findings. The global pandemic has limited field visits, and the IEO will work with local consultants to the extent possible. The IEO will also draw on the rich evidence base of the office collected on previous country visits.

35. The full portfolio of GEF projects and activities will be analyzed. The process of identifying the impact pathways and specifying the impact drivers and assumptions for modelling progress toward impact – the outcome-to-impact pathway developed in OPS5 will be applied. This method, beyond providing ratings based on a project’s specific context, identifies the specific areas of GEF contribution towards the achievement of impacts or of intermediate states. Evidence on progress toward impact will be gathered from completed projects between January 2018 and January 2021. GEF supported interventions are implemented by partner agencies, and as such, impacts in the GEF are often determined through analysis of what GEF-supported interventions have “contributed” to, without distinguishing the results of activities supported by GEF funding alone from the activities of co-financiers. The GEF theory of change is presented in Annex III. While this does not constitute the theory of change for OPS7, it does provide the general framework for GEF interventions and the links to broader outcomes, which are assessed in the individual evaluations.

36. Credible claims of “contribution” will be made if 1) the intervention is logically and feasibly designed to directly or indirectly result in the desired benefits as outlined in a theory of change, 2) the intervention is implemented as designed, 3) the immediate results occur as expected in the causal chain, and 4) other rival explanations for the results have either been considered and rejected, or their relative role in making a difference to an observed result has been adequately recognized.¹⁴ Whenever possible, the analysis will attempt to determine the added value of GEF’s contributions in light of the roles played by other actors at different times and locations.

ORGANIZATIONAL ISSUES

1. Stakeholder consultations

37. This Comprehensive Evaluation of the GEF (OPS7) is being conducted between July 2020 and June 2021, with several of the component evaluations submitted to Council over the period.¹⁶ It will be an in-depth evaluation using a participatory approach characterized by regular stakeholder consultation and involvement throughout the evaluation process. This will involve consultation and outreach during the preparation of this approach paper, during the

conduct of the evaluation and the dissemination and outreach to key stakeholders. Sub-regional meetings of GEF focal points and Expanded Constituency Workshops are an important means by which the Independent Evaluation Office will interact with key stakeholders. These meetings offer an opportunity for the IEO to gather feedback from countries on a variety of issues related to GEF projects and processes.

2. Quality Assurance

38. Five external quality assurance advisors from the developed, the newly emerging group of (BRICS) countries, and the developing nations have been appointed. The external review panel comprises of the following experts: Mr. Vinod Thomas, Ms. Monika Weber-Fahr, Ms. Paula Caballero, Mr. Hans Bruyninckx, and Mr. Osvaldo Feinstein. These recognized international development professionals in the fields of environment, development and evaluation would provide quality assurance through all stages of preparing the comprehensive evaluation. They will provide guidance throughout the evaluation process—including the conceptualization of the evaluation, the interpretation of findings and the framing of recommendations. Mr. Hans Bruyninckx, and Mr. Osvaldo Feinstein were members of last year’s panel and will provide continuity. Another key component of the quality assurance process is the review for individual evaluations and studies. Reference Groups and peer reviewers will provide quality feedback and inputs into the independent evaluations.

3. Deliverables

39. The Comprehensive Evaluation of the GEF will comprise several independent evaluations which will be presented at the June2020-June 2021 GEF Council meetings. The main comprehensive evaluation report will provide clear insights into the performance and impacts of the GEF, the integrated programs and institutional and policy issues as synthesized from evaluations conducted by the GEF Independent Evaluation Office and the GEF agency evaluation units. The comprehensive report will also provide a summary of the main conclusions and strategic recommendations for consideration by the replenishment committee. The individual evaluations will be published as technical documents and be uploaded to the IEO website as they are endorsed by the Council. The draft report will be timed to inform the 8th replenishment exercise in October 2021 with the final report being delivered in December 2021. Besides the GEF Council and Replenishment participants, the report and component evaluations will be distributed widely to GEF partners, stakeholders and Civil Society and be uploaded to the IEO website.

4. Schedule and Budget

40. The independent evaluations or technical reports and the draft comprehensive report will be completed and made available by October 2021. The final report will be available in March 2022. Below is the tentative schedule for the comprehensive evaluation.

Task	Year	
	2020	2021
Approach Paper	June	
Short technical papers on all component evaluations		January
Completion of all component evaluations		March
Delivery of Draft Comprehensive Report		October

Budget

41. The Council has approved the four-year budget and work plan for the IEO during the GEF-7 Replenishment. This Comprehensive evaluation will be adequately resourced through this approved budget.

ANNEX I: REFERENCES

1. OPS5, Fifth Overall Performance Study of GEF, The GEF Portfolio, OPS5 Technical Document #1 March 2013

2. Terms of Reference and Budget for the Fifth Overall Performance Study of the GEF

3. OPS5 Annex: Comments of the Senior Independent Evaluation Advisors.

4. OPS5 draft approach paper, March 2012

5. ALNAP Annual Review 2003. www.alnap.org/pool/files/alnap-annual-review-2003.pdf

6. Fifth Overall Performance Study of the GEF. Final report: At the Crossroads for Higher Impact, Summary, GEF 2014.
<https://www.thegef.org/gef/sites/thegef.org/files/EO/OPS5-Final-Report-Summary-English.pdf>

7. Four-Year Work Program and Budget of the GEF Independent Evaluation Office May 2015.

8. Audit Trail of Comments on the Draft Approach Paper, GER IEO, May 9 2012.
<https://www.thegef.org/gef/sites/thegef.org/files/EO/OPS5%20-Audit%20trail%20of%20comments%20on%20APPR%20papers%20-%20First%20Report.pdf>

9. Fourth Overall Performance Study of the GEF(OPS4): Progress Toward Impact, April 2010.
https://www.thegef.org/gef/sites/thegef.org/files/documents/FULL_REPORT_OPS4_Progress_Toward_Impact_0.pdf

10. Third Overall Performance Study of the GEF (OPS3): Progressing Toward Environmental Results, June 2005.
<https://www.thegef.org/gef/sites/thegef.org/files/documents/OPS3%20Final%20Documents%20Complete%20Report.pdf>

11. Second Overall Performance Study of the GEF (OPS2): The First Decade of the GEF, January 2002.<https://www.thegef.org/gef/sites/thegef.org/files/documents/OPS2.pdf%20ENGLISH.pdf>

12. First Overall Performance Study of the GEF (OPS1): Study of GEF’s Overall Performance,
<https://www.thegef.org/gef/sites/thegef.org/files/documents/OPS1.pdf>

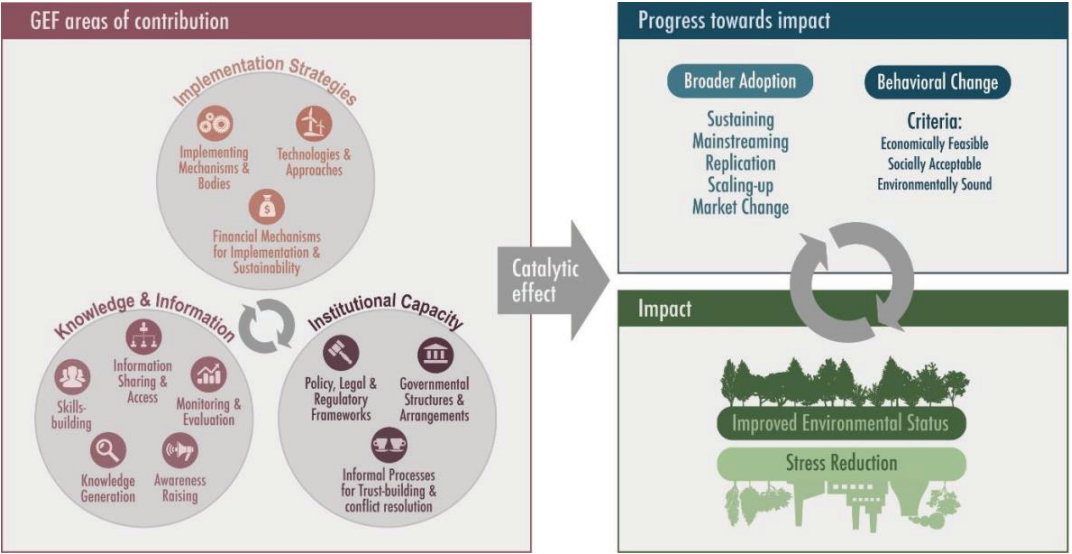
13. GEF-6 PROGRAMMING DIRECTIONS
https://www.thegef.org/gef/sites/thegef.org/files/webpage_attached/GEF6_programming_directions_final_0.pdf

ANNEX II APPROVED IEO EVALUATION PROGRAM FY19-22

FY19	FY20	FY21	FY22
Evaluation of GEF’s interventions in Biodiversity Mainstreaming (completed)	Strategic Country Cluster Evaluation Africa Sudano-Sahelian Biomes (completed)	The Gold Program (concept note completed)-evaluation ongoing	Seventh Comprehensive Evaluation of the GEF (OPS7)
Evaluation of the Cleantech Program (completed)		Evaluation of the Implementation of GEF’s policies on: Gender, Safeguards, Stakeholder Engagement (approach paper completed)	
Value for Money in Sustainable Forest Management Interventions (completed)	Strategic Country Cluster Evaluation LDCs (ongoing)	Evaluation of GEF’s impact on small and medium enterprises (gold, renewable energy) (Concept note completed)	
Evidence from GEF’s Experience with Scale-Up and Replication (completed)	Strategic Country Cluster Evaluation SIDS (completed)	Evaluation of the Country Support Program	
		Review of the Agency Self Evaluation Systems (Approach paper completed)	
		Sustainable Forest Management	

			(Concept note completed)			
			Evaluation of Small Grants Program (approach paper completed)			
			Follow up studies to the evaluation of RBM, KM (Concept notes on RBM and KM completed; focus on GEF portal)			
			Evaluation of the Integrated Approach Pilots/Impact Programs (concept note Completed)			
Annual Performance Report (APR) (special chapter on transport) (completed)	APR (ongoing)		APR			
LDCF/SCCF Annual Evaluation Report (AER)	LDCF/SCCF AER (ongoing) LDCF Program evaluation		LDCF/SCCF AER SCCF Program evaluation		LDCF/SCCF AER	
Understanding Additionality in the GEF (completed) Evaluation Policy (completed)	GEF in Fragile and Post Conflict Environments (ongoing) OPS7 approach paper Panel selected		Review of Medium-Sized projects (approach paper completed) Review of GEF Enabling Activities (summer,2020) Innovation in the GEF (concept note completed) Special studies in Fisheries and Freshwater, Health co benefits of the Chemicals portfolio (All concept notes completed)			

ANNEX III: THE GEF THEORY OF CHANGE





The Independent Evaluation Office of the Global Environment Facility (GEF) was established by the GEF Council in July 2003. The Office is independent from GEF policy making and its delivery and management of assistance.

The Office undertakes independent evaluations that involve a set of projects and programs implemented by more than one GEF Agency. These evaluations are typically at the strategic level, on focal areas, or on cross-cutting themes. We also undertake institutional evaluations, such as assessing the GEF resource allocation mechanism or GEF governance.

Within the GEF, the Office facilitates cooperation on evaluation issues with professional evaluation networks; this includes adopting evaluation guidelines and processes consistent with international good practices. We also collaborate with the broader global environmental community to ensure that we stay on the cutting edge of emerging and innovative methodologies.

To date, the Office has produced over 100 evaluation reports; explore these on our website: www.gefio.org/evaluations/search.



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