

Evaluating the Transition to SGP 2.0

Concept Note

Background

The Global Environment Facility (GEF) is a multilateral family of funds dedicated to confronting environmental concerns pertaining to biodiversity, climate change, international waters, land degradation, as well as chemicals and waste. Since its inception in 1991, the GEF has provided over \$26 billion in financing and mobilized another \$149 billion in co-financing for more than 5,000 national, regional, and global projects spread over 186 countries. These grants are implemented through a network of 18 accredited agencies. The GEF receives its funds through a four-year replenishment.

The GEF Independent Evaluation Office (GEF IEO) has a central role in ensuring the independent evaluation function within the GEF. The GEF IEO is based in Washington, DC. It is administered by the World Bank but is independent of its management as well as the management of the GEF. The IEO Director reports directly to the GEF Council, the GEF governing body. All contracts with the GEF IEO are World Bank contracts.

The GEF IEO jointly with the UNDP IEO is undertaking an update of the Third Joint GEF-UNDP Evaluation of the Small Grants Programme (SGP) to inform the ongoing Eighth Comprehensive Evaluation of the GEF (OPS8). The purpose of the update is to assess the performance and strategic evolution of the SGP under Operational Phase 7 (OP7), with particular emphasis on the program's transition toward the new SGP implementation arrangements approved under GEF-8.

Small Grants Programme

The GEF created the SGP in 1992 with the explicit aim of developing community-led and -owned strategies and technologies for reducing threats to the global environment while addressing livelihood challenges. The SGP has been a corporate GEF program principally implemented by the United Nations Development Program (UNDP) and executed by the United Nations Office for Project Services (UNOPS). The principal strategy of the SGP is to provide small grants—up to a maximum of \$50,000—to needy communities to support the use of practices and technologies that benefit the global environment and provides financial and technical support to local civil society organizations (CSOs) and community-based organizations (CBOs).

In December 2022, the GEF Council approved the new SGP implementation arrangements for GEF-8, also known as SGP 2.0 (GEF/C.63/06/Rev.01). Following this approval, SGP was expanded to include two additional GEF Agencies, Conservation International (CI) and the Food and Agriculture Organization of the United Nations (FAO), alongside UNDP. According to the GEF website communities in 137 countries are accessing GEF SGP funding during GEF-8, up from 124 countries during GEF-7.

The first tranche of GEF SGP funds approved during GEF-8 is being implemented by UNDP, and the second tranche approved by the GEF Council in December 2024 will be implemented by all three Agencies. Altogether, GEF SGP is providing \$135 million for community-led environmental initiatives in GEF-8. Grants are supporting work in five areas: 1) community-based management of threatened ecosystems and species; 2) sustainable agriculture and fisheries, and food security; 3) low-carbon energy access and co-benefits; 4) local to global coalitions for chemicals and waste management; and 5) sustainable urban solutions.

The GEF SGP has also launched a challenge program to support innovative action by CSOs and CBOs, led by the GEF Agency IUCN. Another CSO initiative on microfinance, led by the World Bank, will be launched in 2025.

Objectives, scope, and approach of the evaluation

The purpose of this update is to assess the performance and strategic evolution of the SGP under OP7, with particular emphasis on the program's transition toward the new SGP 2.0 implementation arrangements approved under GEF-8. The aim is to provide an evidence-based analysis of relevance, coherence, effectiveness, efficiency, and sustainability of the SGP.

This evaluation is designed to examine the extent to which the SGP has addressed the recommendations of the Third Joint GEF-UNDP Evaluation, aligned with GEF-7 strategic priorities, and adapted to the transformational goals set for SGP 2.0 under GEF-8. The update also serves to inform discussions on future reforms and institutional arrangements for GEF-9, ensuring greater inclusivity, country ownership, and readiness for transformative change.

The update seeks to answer the following key questions:

- How have the operational arrangements of the SGP evolved, and to what extent are these addressing the recommendations and findings of the Third Joint GEF-UNDP Evaluation of the SGP?
- Are the updated design and implementation plans of SGP 2.0 consistent with the revised strategy?
- To what extent is the operationalization of the execution arrangements coherent with the overarching SGP policy goals, principles, and objectives?
- What are the identifiable results of the SGP in 2021–2024?
- Based on current knowledge, is SGP 2.0 better equipped to deliver environmental and socio-economic results?

The following methods will be employed:

- **Portfolio Review:** A review of operational and financial data from UNDP SGP Central Programme Management Team (CPMT) systems and GEF reports, including project implementation reports, terminal evaluations, SGP Annual Monitoring Reports, and grant databases. The review will cover grants active or completed under OP7 and an analysis of results achieved under the 14 countries upgraded country programmes.
- **Document Review:** Analysis of key documents, including project identification forms, CEO Endorsement templates, UNDP project documents, SGP Annual Results Reports, case studies and examples provided by UNDP or the GEF, GEF-7 and GEF-8 programming directions, GEF Council decisions, SGP operational guidelines, SGP Country Programme Strategies, and GEF management action records.
- **Key Informant Interviews:** Semi-structured interviews will be conducted with stakeholders across the GEF partnership, including GEF Secretariat staff, GEF Agencies including UNDP, CI, FAO, IUCN, and the World Bank, and CPMT members. Interview questions will be tailored to explore institutional arrangements, delivery efficiency, and readiness for SGP 2.0.
- **Focus Group Discussions:** These will be held with national programme coordinators, representatives of upgraded country programmes, to gather insights regarding implementation experience, strategic coherence, and operational risks.
- **Online Survey:** A structured survey will be administered to SGP stakeholders across regions and stakeholders including CSO grantees, country teams, and National Steering Committees members.

Evaluation team

Fabrizio Felloni, Deputy Director and Anna Viggh, Senior Evaluation Officer are the Co-task Team Leaders of this evaluation. The evaluation team is composed of Ben Murphy, Evaluation Specialist, UNDP Independent Evaluation Office, and Thanicha Ruangmas, GEF IEO Data Scientist. The GEF IEO has engaged Okapi Conseil Environnement Inc. for the evaluation.

Timeline

The evaluation timeline is between January and August 2025. The table below presents an initial work plan.

Deliverable	Estimated date
Concept note	January 2025
Inception report with protocols and tools	February 2025
Completion of desk review, interview, and survey	May 2025
Draft report	June 2025
Inputs for OPS8	August 2025
Final evaluation report	October 2025