Comments on STAR Mid-Term Evaluation Approach Paper

Comment by	Comments	GEF EO Response
GEF Secretariat		
1. GEF SEC	"First, there is a fundamental question as to whether the current allocation system increases the effectiveness of the GEF in meeting its mandate and efficiency in delivery of resources. While the first question of the review alludes to this issue, the details are dealt with as involving technical details of design, rather than a review of the overall impact of the allocation system. As we gear up for GEF-6, and with focal area strategies being prepared to deliver global environmental commons, this issue is becoming more paramount for the GEF;"	The STAR Mid-Term Evaluation would look at the question of STAR's effectiveness in achieving its intended goals. However, this expectation from STAR needs to be moderated considering the nature of the evaluation. Mid-term evaluations are good at picking up the early warning signals and identify areas that need correction. But they are a bit constrained in assessing achievement of the intended goals due to insufficient track record and evidence for such an assessment.

The STAR MTE would especially draw on the available information pool and people with institutional memory on STAR / RAF to address the issues related to effectiveness of the framework in achieving its intended goals. Any help from the Secretariat in helping us identify such resources would be appreciated.

The STAR MTE needs to be seen in light of the other evaluative work being carried out by the Evaluation Office for OPS-5. OPS-5 would synthesize information from several evaluations to assess whether the current allocation system increases the effectiveness of the GEF. Thus, the second report of OPS-5 would have a richer information pool to report back on this issue. |
| 2. GEF SEC | "Second, regarding the issue of country ownership (reflected in the second question of the review), it will be helpful if the review could pan a wider range of stakeholders to assess country ownership than go just by | More text has been added in the approach paper to make this clearer. This issue would also be covered in detail through the NPFE MTE. The |

		the perspectives of the operational focal points."	information pool generated through NPFE evaluation would be used for the STAR MTE.
3.	GEF SEC	Question 1 refers to the STAR's design, and the appropriateness of each of the major indices. we would suggest also that the <u>weightings</u> of the indices (and the many sub-indices that they comprise) be also assessed. For example, while the assessment may well conclude that the GDP based index is "technically sound and a good proxy for socio-economic conditions", the weighting is so small that there is, in fact, little difference to the base allocations if the index is removed completely (according to our own investigations). Therefore, it is important to assess not only the indices and sub-indices themselves but also their relative importance as demonstrated by their assigned weights.	This will be covered.
4.	GEF SEC	Question 1 refers to an assessment of the extent to which indices are "scientifically and technically sound", and the paper talks of the use of panels of independent experts to so do. However, the paper states that, given that the biodiversity and climate change indices were already assessed in the RAF mid-term review, "for these focal areas the focus of the assessment would be on those elements of the indices that have changed", while for the land degradation index would be given a more comprehensive assessment. However, in the last five years there have been significant developments in the biodiversity and climate change fields in terms of international scientific knowledge - for example the TEEB assessments, the COPI report, the Biodiversity Indicators Partnership, the upcoming AR 5 of the IPCC. Given that the RAF-mid-term review was presented to Council in November 2008, it is our opinion that a more thorough assessment should also be done on the biodiversity and climate change indicators, as is planned for the land degradation indicators.	This issue would be covered through engagement of STAP and other experts. The evaluation would report on the changes in the scientific knowledge and understanding in the focal areas covered through STAR. The information on this issue would be made available to the team involved in designing STAR for GEF-6. There also needs to be recognition that the focus of the evaluation would be on assessing scientific and technical merits of STAR that was implemented in GEF-5. Therefore, taking note of the information that was available at the point STAR was being designed for GEF-5 is imperative.
5.	GEF SEC	Question 3 refers to an assessment of "the level of flexibility provided by STAR in allocation and utilization of GEF resources". We would suggest a bit more detail here. Both levels of flexibility and marginal adjustments should be assessed. In addition, the evaluation should consider the efficacy thus far of these adjustments - to what extent have they been utilized? To what degree have they been utilized? Are there categories of countries that seem to utilize this freedom more than others? Are these flexibilities being utilized more to particular focal areas than to others? Along these lines, we would	The level of detail provided in the approach paper is appropriate. The suggested analyses are quite standard in the work that GEF EO undertakes and will be undertaken in this evaluation too.

		suggest a change of question 3 to something like - an assessment of "the extent to which the flexibilities and marginal adjustments within STAR aid in the utilization of GEF resources and the achievement of global environmental benefits".	
6.	GEF SEC	The paper refers to a statistical analysis of the "patterns in resource utilization...for different country groups, focal areas, activities agencies, and involvement of NGOs and private sector". We would suggest that explicit reference be made in the paper to an analysis across regions, and an analysis of both LDCs and SIDS.	Analysis across regions is a standard practice in the evaluations undertaken by the EO. As you would also notice that the Approach Paper's section on 'GEF-5 Replenishment and STAR' already provides information on preliminary utilization figures for LDCs and SIDS.
7.	GEF SEC	On p8, there is the statement "...modelling would be used to assess the extent eventual allocations through the agreed upon STAR have differed from what would have been the case of other proposals had been accepted". It is unclear as to what this means and seek some clarification. What are these "other proposals" and how are they being selected for inclusion into this modelling exercise?	The STAR may be compared to RAF on several aspects – for example effects of doing away with the 50% ceiling rule that was implemented in RAF could be easily ascertained by running the STAR data on this issue using the RAF rules. Similarly, rules on flexibility are also amenable to such treatment. During the process of designing of STAR several options on thresholds at which the applicable flexibility rule would change were also discussed (GEF/C.36/6). Modeling is more of an exploratory exercise – we would report if we find something significant – if not these are not reported on.
8.	GEF SEC	On p9, there is reference to the aim of the stakeholder interviews as being ".... to address the governance related concerns". But there is no reference to governance concerns earlier in the paper and so we are unclear as to why this seems to be a main objective of the stakeholder interviews. If governance with respect to STAR resources is indeed an issue, then its existence and its extent should be duly investigated as one of the key research questions of the evaluation as defined on p5.	Governance is important and is covered. We feel this issue is adequately reflected in question number 4.
9.	GEF SEC	With respect to the stakeholder interviews on p9, it would be good to see some more detail as to how the sample is going to be selected. We assume some measure of stratified sampling since there are clear strata already identified in the paper (GEF staff, agencies, focal points, private sector, NGO etc)? But how are the samples to be selected from within these groups?	We would develop our approach further on this topic as we move along with the evaluation. The STAR MTE approach paper does not aim at providing this level of detail. However, we would welcome Secretariats suggestions on what it feels should be the preferred mode or to flag its

		specific concerns about an approach that could be considered.
10. GEF SEC	With respect to the online survey, what is the timeline for the development of the questionnaire (it is not explicitly referenced in the Gantt of Table 2). Also, will this draft questionnaire also come our way for comments before it is administered?	Exact timing of the online survey is a tactical issue and of a much lower order of importance to be reflected in the approach paper. However, in case the Secretariat has a specific concern about timing of the online survey we would request that it convey that concern to us. The draft questionnaire would not be shared with the Secretariat. However, Secretariat should feel free to suggest specific questions or concerns that we should consider. If feasible, we would accommodate them in the survey.
UNEP		
11. UNEP	One of the practical consequences of the STAR has been the fragmentation of resources allocated to projects. In the case of countries with small allocations (typically less than $10 million in total), the hope and expectation at the beginning of the STAR was that the resources would be pooled and combined into one or maximum two projects. This has occurred in a few cases but not widely so. In most cases the opposite has occurred – i.e. many small projects averaging $1-2 million in GEF grants – and there seems to be a correlation with those countries having done the NPFE process. In such countries, a call for proposals has resulted in a much larger pool of proposals being considered, and it has been difficult for the OFP or the national committees to combine the proposals or to prioritize one or two. Has the average size of projects increased or decreased in GEF-5 vs GEF-4 ? We therefore suggest that this issue be verified jointly through both the STAR and NPFE MTEs.	The issue would be addressed in the evaluation. We would be addressing it primarily through portfolio analysis. This would be supported with feedback from the key stakeholders.
12. UNEP	Another issue that could best be verified jointly between the STAR and NPFE MTEs is that of ownership. The STAR is expected to promote transparency and country driven approaches, including clear responsibilities between GEFSec and the countries. However, the process of quite a few NPFEs did not fully abide by these principles. Furthermore, there is the issue of civil society engagement that in our view should be part of any	The STAR MTE and NPFE MTE are being conducted in a coordinated manner. This issue would be looked at through the NPFE evaluation. The STAR Evaluation would use the information gathered by the NPFE MTE.

		discourse on country ownership. It would be instructive to explore these issues in more depth in a sample of NPFEs, and we would be happy to provide a list of suitable countries to do so.	
13. UNEP		Has the number of projects that are truly MFA or regional increased in GEF-5 compared to previous years? Can the increase in Programmatic Approaches be linked directly to the STAR or are there other factors at play? Has the STAR fostered or hindered Agency cooperation? We hope that the MTE will cover such issues.	This question would be addressed through portfolio analysis. Changes in MFA trends would also take into account the changes in the requirements related to tracking tools/ RBM.

We would look at whether there is increased reliance on programmatic approach. As always such changes are affected by several factors – the key would be to determine the more important ones.

The suggestion on looking at agency cooperation would be taken on board. |
14. UNEP		The STAR was expected to be more efficient and effective in its implementation than RAF. However, STAR still had its own challenges. For example, the monitoring of allocations and use of allocations was not always on real time, leading sometimes to confusion as to what resources remained. Even in those countries that conducted NPFEs, this was not guaranteed, because there were often several "updates" of the NPFEs or corrections made because of over-allocation. There is a need for a more robust tracking system both at the central (GEFSec) level as well as at the country level.	We would take on board this suggestion. We would track how implementation of resource allocation framework has evolved from GEF-4 to GEF-5, and what challenges still remain.
15. UNEP		The implementation of the "SFM" set aside was faced with lack of clarity on how it should be used. It was not clear how the "top up" rules were established, and there seemed to be inconsistency in how these rules were applied. Furthermore, the SFM top up was intended to be an incentive for regionalism, and it would be good if the MTE would explore whether it achieved this aim or not.	This issue would be covered.
16. UNEP		Set asides were an important feature of the STAR because of the need to "protect" certain activities (especially enabling activities). It is important to understand how well the set asides were allocated, and used. We would suggest a much stronger focus on this aspect than is currently evident in the MTE TOR.	Suggestion will be taken onboard.
17. UNEP		We fully support the MTEs evaluation of whether GDP is a good proxy for socio-economic conditions. We would encourage the team to consider the Outcomes of the Rio Summit, in particular, to see whether it is feasible to move to a "green accounting" index as an added incentive for the GEF to promote and catalyze change.	This issue would be covered when technical merits of the indices are addressed.
18. UNEP		We would encourage involving STAP in this evaluation, given their perspective from reviewing PIFs and their	As noted in the approach paper, STAP is expected to play an important

	global environmental benefits. Has the STAR helped or hindered the achievement of GEBs?	advisory role in the evaluation.
19. AfDB	Last paragraph of page 4: ----of the total country allocations 47 percent had been reserved (utilized) through approval of Project Information Forms (PIFs) and project preparation grants (PPGs). 1- On the 47 %: Is this 47 % representing only the STAR allocation per se (LD. BD, CCM) or is it also including the SFM and International water projects/programs reserved amounts. Should those be included in the assessment? How fair is the SFM (more resource a country has more chances it has to get additional resources) If the IW and SFM are also considered then how their allocation is explained, how is it going to be considered in the evaluation?	The 47 percent covers focal areas covered through STAR including the set-asides within these focal areas. It does not include other focal areas. Other focal areas would also be covered but they would not be the primary focus. Question on fairness of SFM is a separate one. The evaluation will address this issue without doing an in-depth analysis of it.
20. AfDB	Correction: PIF is Project <u>Identification</u> Form and not Project Information Form	Thanks – has been corrected.
21. AfDB	Comment: Are only PPG and PIF or the PFD are also considered?	All types of funding utilizations that may be tracked to STAR allocations are considered.
22. AfDB	**To what extent does the STAR's design facilitates allocation and utilization of scarce GEF resources to enhance global environmental benefits?** **No comments –** Agree with the need to assess the appropriateness of GDP based index as a proxy socio-economic- But the rational on preference for countries with lower per capita income should still be valid and recommendations to improve it formulated	The evaluation would assess the present indices and determine whether this is indeed the case.
23. AfDB	**To what extent does the STAR promotes transparency and predictability in allocation of GEF resources and strengthens country driven approaches?** (#last bullet point pag 7) Country ownership: We agree with this objective on the evaluation but the assessment should be taken and analyzed depending on the countries capacities. In this sense, trends from countries clusters (transition, middle countries, developing, fragile states, etc) could be considered. The GEF OFP house: The place - ministry - where the OFP is based can also have a role in the allocation, potentially biased - in the flexibility, in the capacity and power to bring more resources to their own ministry - and	 The evaluation will take note of country capacities. Suggestion to assess the effect that the ministry that hosts the focal point on the agencies selected for execution of the GEF projects is interesting. We

		probably in the effectiveness of projects prepared under their own ministry.	will cover it if we are able to gather sufficient information through the dataset on executing agencies.
24. AfDB		**To what extent has the RAF Mid-Term Review been followed up on in STAR through relevant Council decisions and general lessons learned?** As indicated in the Background section; group allocations were eliminated in the STAR's design – under STAR all eligible countries have an individual country allocation .How has this affected regional projects? It should be noted that under the STAR GEF 6 replenishment exercise a working group for regional projects has been established. Therefore, recommendations on how to strength regional projects and which sector/sectors should be prioritized will be welcome at this stage	The issue would be covered in depth through portfolio analysis and interviews.
	STAP		
25. STAP		As a key question, or focus, the paper could emphasis more the importance of evaluating the scientific (or technical validity) of the indices, particularly the global benefits index (GBI). Perhaps the following language could be added as a point in the section titled "Key questions and the scope of the evaluation" - "The evaluation will assess the rationale and choice of indicators used in the STAR, particularly the GBI." A broad question about the quality of the GBI methodology would dovetail with the section below focused on the STAR's ability (or its design) to allocate scarce GEF resources (based on credible methodologies) towards global environmental benefits (GEBs).	We will incorporate the suggested language.
26. STAP		It would be helpful if the evaluation would suggest ways to strengthen the methodologies, and not only evaluate. This focus appears missing from the paper. For example, there is a dearth of indicators on sustainable land management (or proxy indicators) at the national level for most of the GEF recipient countries. This made it extremely hard to identify to define the GBI methodology. If the evaluation could suggest ways to re-define the methodology, this would be most helpful to the GEF particularly by suggesting indicators, or new ways to re-think how to distribute land degradation resources to generate GEBs.	We would include the suggested change.
27. STAP		If the results yield gaps, or a need for further analysis, it would be good to state these explicitly in the final report as well as what areas STAP could help address. For example, the STAP work program includes an activity to help strengthen the GBIs for land degradation, biodiversity and climate change. Identifying explicitly the gaps would help define the purpose and questions that	This is a good suggestion. We may formulate our conclusions and recommendations to take note of such possibilities.

		STAP (and the GEF) would need to consider for strengthening the GBI methodologies.	
28. STAP		On page 5 under "The appropriateness of indices used to determine benefit potential", it will be important to consider the lack of indicators for the land degradation focal area. There are no indicators (disaggregated at the country level for the majority of GEF recipient countries) on soil health, land degradation, soil degradation, or other proxy indicators that could be used to measure sustainable land management. Hence, there are no standard indicators for SLM, no agreed indicators by the scientific community, or data at the country level on indicators. Carbon is the closest proxy indicator for global benefits, and the GEF only recently has invested in developing a methodology to calculate carbon estimates from GEF project interventions. Therefore, it will be important for the evaluation to take this caveat into account when it evaluates the composition of the land degradation (LD) GBI methodology. The same cannot be said for biodiversity or climate change mitigation.	This would be taken into account – the reason why this point was mentioned in the approach paper was to highlight lack of indicators.
29. STAP		On page 7 under "Methodology", perhaps the following bolded text could be added to the second bullet point – • Assessment of appropriateness, adequacy, **and scientific validity** of resource allocation indices by expert panel	We would address this.
30. STAP		Panel review of indices for resource allocation It will be important for STAP to assess the scientific merit of the STAR (particularly the GBI), and not only recommend experts to do so. In 2009, STAP, and its Secretariat, was deeply involved in analyzing the biodiversity and climate change methodologies for the STAR, as well as defining the land degradation and sustainable forest management methodologies. Therefore, it is suggested that STAP, and members of its Secretariat, take part in the evaluation of the STAR, particularly for the GBI.	Because STAP was involved in designing of STAR for GEF-5 and would be involved in the STAR designing process for GEF-6, STAPs participation in the STAR MTE raises questions related to conflict of interest. This said we appreciate the value that STAP would bring to this evaluation. We would, therefore, seek STAP's inputs to the fullest possible extent but would make our conclusions and judgments independently. In practical terms it means that STAPs involvement – along with other experts – would be sought but the evaluation would not be undertaken jointly with STAP.
31. STAP		On page 8 under "Portfolio analysis and statistical modeling", any analyses conducted by the GEF land degradation team will be essential. For example, an analysis conducted by the team on portfolio trends revealed that countries are combining resources from the land degradation portfolio with the sustainable forest management program to generate GEBs in humid and sub-humid ecosystems. This is the most significant trend	We will be looking at this and would welcome analysis done by the land degradation team.

	for multi-focal area projects funded with land degradation resources.	
32. STAP	An analysis by ecosystems also demonstrated that countries are focusing their efforts mainly in sub-humid and humid ecosystems and not drylands. Currently, the LD-GBI includes a proxy indicator for drylands, but not an indicator for forests or an indicator representative of sub-humid and humid ecosystems. Hence, it would be helpful to potentially reconstruct the GBI (or identify other ways to invest land degradation resources in ecosystems other than drylands) to include a proxy indicator on sub-humid and humid ecosystems since it appears that countries are investing land degradation resources to target ecosystems besides drylands.	This would be an interesting issue. We will look at how to incorporate this when developing the protocols for the evaluation.
OTHER COMMENTS		
33. UNDP	We would like to suggest that this review provides advice on the feasibility and advisability of introducing the STAR in the Chemicals Focal Area in order to increase predictability in programming and GEF support for countries.	Difficult for the evaluation to address this; although, evaluation would touch upon the extent to which such possibilities exist and are feasible.
34. AfDB	**OTHERS: The Methodology, evaluation products, duration and schedule seems very relevant.** A specific paper/evaluation product on regional approaches will also be appreciated	No action required.