

GEF Country Portfolio Evaluation: Costa Rica (1992–2005)



From the end of 2005 until April 2006, the Global Environment Facility (GEF) Evaluation Office undertook an evaluation of GEF

support to Costa Rica—the first time such an evaluation has been performed using a country as the unit of analysis and examining the totality of GEF support across all GEF Agencies and programs. The initiative was the result of the GEF Council's requesting the Evaluation Office to evaluate activities supported by the GEF at the country level to provide pertinent information to the Council on how those activities relate to the country's sustainable development agenda, national environmental strategies and priorities, and the GEF's mandate. The Costa Rica pilot study aimed to determine whether this new evaluation modality can be implemented in other countries in the future. Costa Rica was selected for this pilot for several reasons, including the range of its GEF portfolio, modalities of GEF support, and involvement of relevant GEF Agencies. In addition, a wealth of information on Costa Rica's experiences with environmental issues was available.

The focus of the evaluation was a portfolio of 12 projects funded by the GEF during the period 1992–2005 with an investment of almost \$32 million and a long-standing GEF Small Grants Programme (\$5.08 million). Eight of these projects had been completed, and four were under execution at the time of the evaluation. As part of the methodology, a draft document was presented to national stakeholders, including government, GEF Agencies, nongovernmental organizations, and other civil society partners. Feedback was very positive, and the comments received were incorporated in the final evaluation report.

Findings

Relevance of the Portfolio

GEF support to Costa Rica has been relevant to the progress of the country's environmental agenda. The portfolio of projects is in line with national development plans and na-

tional environmental strategies. An analysis of its origins and of the results of completed projects shows that Costa Rica has full ownership of the GEF portfolio and has managed it in accordance with its national agenda. Several of the completed projects demonstrated catalytic and replication effects.

GEF support could be more relevant in terms of the country's contribution to global benefits. Costa Rica has not clearly defined its potential contribution to global benefits. The country has the capabilities and information to do so, as evidenced by the work done in preparing its 2000 GEF Programmatic Framework on Biodiversity. Such definition would allow even better alignment of the GEF mandate with the country's priorities and projects. Although the GEF does not require or implement a country-level-specific programmatic focus, GEF support in Costa Rica puts a particular emphasis on biodiversity (almost 70 percent of the GEF funds committed to the country) and little on, for example, land degradation or marine and coastal areas.

Results of the Portfolio

GEF support to Costa Rica has produced global benefits and has been in accordance with the GEF mandate.

The analysis found many successes in several areas:

- Impacts in biodiversity conservation through protected area management programs and payment for environmental services and the abatement of carbon dioxide emissions through wind energy projects
- Catalytic and replication effects in terms of wind energy, payment for environmental services, and development of a national implementation plan on persistent organic pollutants
- Improvement in institutional sustainability for the National Institute for Biodiversity and the National Fund for Forestry Financing and capacity building in protected area management, taxonomy, payment for environmental services, and wind energy

The Portfolio's Efficiency

- The length of time required for project preparation and approval varied greatly among projects. No common “bottleneck” problem areas were identified.
- The mechanisms available for tracking project preparation and negotiation processes are generally very limited, and the parties involved in these processes at the national level do not have direct access to them. This limitation is particularly severe in the pre-pipeline and post-GEF Council approval stages.
- GEF operational information (such as project procedures and requirements, and Council decisions) is not easily available or clearly presented, sometimes leading to confusion among GEF stakeholders.
- Costa Rica is preparing for the challenges of dealing with the GEF's new Resource Allocation Framework (RAF), though with some delay, particularly in relatively weak areas such as institutional coordination and project prioritization.

Recommendations

To the GEF Council

- Continue with GEF portfolio evaluations in other countries to increase the body of evidence on GEF support at the country level.
- Evaluate regional projects in Central America since the present country evaluation methodology is not an efficient way to analyze regional projects.
- Reinforce the effort to improve the transparency of the GEF project approval process, particularly at the national level.
- Improve GEF information mechanisms, most notably the GEF Web site, to make essential operational information available to the national level; presently, it is difficult to ascertain whether the information provided on GEF operations is up to date and in line with the decisions of the GEF Council.

To the Government of Costa Rica

- Explicitly define the potential national contribution to global environmental benefits and use this definition in

prioritizing proposals to the GEF in the future. Costa Rica should develop a strategic focus based on its environmental potential and its national environmental and development strategies.

- Speed up processes for meeting the challenges inherent in the introduction of the RAF. This implies developing new institutional processes for prioritizing the use of those limited resources, mainly when a country is part of an RAF group, as Costa Rica is for the climate change focal area.

Follow-Up

The GEF Council reviewed this evaluation at its 28th meeting in June 2006 and decided that the Evaluation Office should continue to conduct GEF country portfolio evaluations in other countries, to be selected with transparent criteria and within the limitations of the Office's budget as approved by the Council. The GEF Secretariat was asked to take steps to improve the information mechanisms in the GEF—most notably the information provided through the GEF Web site—to make essential operational information available at the national level.

As of June 2007, the Evaluation Office had conducted two additional country portfolio evaluations, in the Philippines and Samoa. The Office is proposing to conduct four more such evaluations in fiscal year 2008 in Africa; by end of fiscal year 2010, it plans to have conducted two evaluations in Northern Africa and the Middle East, and two in Eastern Europe and Central Asia. Information on how countries are selected, as well as the standard terms of reference for conducting GEF country evaluations, are available on the GEF Evaluation Office's Web site.

The GEF Evaluation Office is an independent entity reporting directly to the GEF Council, mandated to evaluate the focal area programs and priorities of the GEF.

The *GEF Country Portfolio Evaluation: Costa Rica (1992–2005)* (Evaluation Report No. 32, 2007) is available on the GEF Evaluation Office Web site at www.thegef.org (in the Publications section). For more information, please contact the GEF Evaluation Office at gefevaluation@thegef.org.