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**Cluster Country Portfolio Evaluation:  
GEF Beneficiary Countries of the OECS (1992-2011)**

**(Prepared by the GEF Evaluation Office)**

# 1. Main Conclusions and Recommendations

## 1.1 Background

At the request of the Global Environment Facility (GEF) Council, the GEF Evaluation Office conducts country portfolio evaluations (CPEs) every year. In fiscal year 2011,<sup>1</sup> three CPEs were launched in the Latin America and the Caribbean region, including one of a cluster of six GEF beneficiary countries that are members of the Organisation of Eastern Caribbean States (OECS)—Antigua and Barbuda, Dominica, Grenada, St. Kitts and Nevis, St. Lucia, and St. Vincent and the Grenadines— one in Nicaragua, and one in Brazil. This report covers the OECS cluster CPE. CPEs aim to provide the GEF Council and national governments with an assessment of results and performance of the GEF-supported activities at the country level, and of how the GEF-supported activities fit with national strategies and priorities as well as with the global environmental mandate of the GEF.

As stated in the terms of reference (see annex A), the OECS countries were selected for a cluster approach primarily because regional projects are the predominant modality of GEF support in these countries. The evaluation provides an excellent opportunity to assess the real impact of this modality at the country level. In addition, small island developing states (SIDS) have been given

a preferential selection criterion in the CPE work plan for GEF-5 (2010–14). The evaluation focused on regional projects in which all six GEF beneficiary OECS countries were involved.<sup>2</sup>

The OECS countries face numerous challenges unique to SIDS and to their geographic position in the Caribbean, such as a lack of economies of scale in infrastructure, institutions, and markets; and vulnerability to natural disasters such as hurricanes. As with many SIDS and least developed countries, they also face a disproportionate risk to climate change impacts and to rising sea levels.

Based on the overall purpose of the GEF CPEs and the specific terms of reference for this cluster CPE, the evaluation of GEF support to OECS countries had the following objectives:

- Independently evaluate the relevance and efficiency of GEF support in the OECS countries from several points of view: national environmental frameworks and decision-making processes, the GEF mandate and the achievement of global environmental benefits, and GEF policies and procedures

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<sup>1</sup> The GEF fiscal year runs from July 1 through June 30.

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<sup>2</sup> The OECS also includes Anguilla, the British Virgin Islands, and Montserrat; however, the evaluation and this report address only the six GEF beneficiary countries listed above.

- Assess the effectiveness and results of completed projects aggregated by focal area
- Provide additional evaluative evidence to other evaluations conducted or sponsored by the GEF Evaluation Office
- Provide feedback and knowledge sharing to (1) the GEF Council in its decision-making process to allocate resources and develop policies and strategies; (2) OECS countries on their participation in, or collaboration with, the GEF; and (3) the various agencies and organizations involved in the preparation and implementation of GEF-funded projects and activities

OECS country participation in the GEF started during the GEF pilot phase in 1992 with the preparation of the World Bank–implemented Wider Caribbean Initiative for Ship-Generated Waste (GEF ID 585), which involved a total of 22 countries in the region. All projects in the GEF portfolio in the OECS region are listed in annex C. Today, the GEF OECS country portfolio includes 42 national projects valued at \$12.32 million, with \$10.13 million of cofinancing. Most of the national projects are enabling activities. As table 1.1 shows, 22.6 percent of the GEF funding to the OECS has supported projects in the biodiversity focal area, 14.6 percent to climate change, 20.3 percent to

land degradation, 8.6 percent to persistent organic pollutants (POPs), and 34.0 percent to multifocal area projects.

The six OECS countries covered by this evaluation have been or are involved in an additional 17 regional projects (see annex C for details). The GEF portfolio for regional projects involving OECS countries is valued at \$106.44 million with \$498.86 million of cofinancing. As table 1.2 shows, 20.4 percent of the GEF funding has supported regional projects in the biodiversity focal area, 22.0 percent to climate change, 56.0 percent to international waters, and 1.6 percent to multifocal area projects.

There are also seven global projects in which most of the six OECS countries covered by this evaluation participate, addressing biodiversity (56.5 percent of GEF support) and land degradation (40.2 percent), with substantially lower allocations for climate change (2.2 percent) and POPs (1.2 percent) (table 1.3).

## 1.2 Objectives, Scope, and Methodology

The OECS evaluation was conducted between January and August 2011 by an evaluation team

**Table 1.1**

### GEF Support to National Projects in OECS Countries by Focal Area

Focal area	Number of projects	GEF grant (million \$)	Total cofinancing (million \$)	Percentage of total GEF support
Biodiversity	15	2.78	0.79	22.6
Climate change	12	1.79	0.00	14.6
Land degradation	5	2.50	4.10	20.3
POPs	3	1.06	0.25	8.6
Multifocal	7	4.19	5.00	34.0
<b>Total</b>	<b>42</b>	<b>12.32</b>	<b>10.13</b>	<b>100.0</b>

Source: Authors' compilation.

**Table 1.2****GEF Support to Regional Projects in Which OECS Countries Participate by Focal Area**

Focal area	Number of projects	GEF grant (million \$)	Total cofinancing (million \$)	Percentage of total GEF support
Biodiversity	4	21.71	28.85	20.4
Climate change	6	23.40	31.94	22.0
International waters	5	59.64	436.27	56.0
Multifocal	2	1.69	1.80	1.6
<b>Total</b>	<b>17</b>	<b>106.44</b>	<b>498.86</b>	<b>100.0</b>

**Source:** Authors' compilation.

**Note:** Data are for total GEF support provided to the regional projects in which OECS countries participate, as it was not possible to isolate the specific support provided to OECS countries.

**Table 1.3****GEF Support to Global Projects in Which OECS Countries Participate by Focal Area**

Focal area	Number of projects	GEF grant (million \$)	Total cofinancing (million \$)	Percentage of total GEF support
Biodiversity	3	40.78	16.38	56.5
Climate change	2	1.55	1.55	2.1
Land degradation	1	29.00	1.07	40.2
POPs	1	0.89	30.95	1.2
<b>Total</b>	<b>7</b>	<b>72.21</b>	<b>49.94</b>	<b>100.0</b>

**Source:** Authors' compilation.

**Note:** Data are for total GEF support provided to global projects in which OECS countries participate, as it was not possible to isolate the specific support provided to OECS countries.

comprised of staff from the GEF Evaluation Office and consultants from Baastel ltée with combined extensive knowledge of the Caribbean's environmental sector and of GEF programs. The evaluation approach used a combination of qualitative and quantitative data collection methods and standardized analytical tools. Information from various sources in each of the OECS countries, and from other countries where similar GEF projects are managed, was used. The sources included the public sector at the national and municipal levels, civil society, the GEF Agencies active in the region (the United Nations Development Programme [UNDP], the United Nations Environment Programme [UNEP], and the World Bank),

regional institutions (the Caribbean Environmental Health Institute and the OECS Secretariat), the national convention focal points, GEF beneficiaries and supported institutions, associations, and local communities and authorities.

Data collected from individual sources was triangulated against all other available data sources; quality control was a key element of the evaluation at all stages. The quantitative analysis used indicators to assess the efficiency of using projects as the unit of analysis to evaluate the time and cost of preparing and implementing GEF support. The evaluation team used standardized analysis tools and project review protocols for the CPEs and adapted these to the OECS context. A

member of the evaluation team visited each of the OECS countries to conduct in-person interviews and project field site visits. Two field review of outcomes to impacts (ROtI) studies were conducted, one on a regional full-size project (FSP) in the international waters focal area implemented through the World Bank; the second on a national medium-size project (MSP) in biodiversity also implemented through the World Bank. The chief criterion for ROtI project selection was that the project had to have been completed for at least two years.

The main focus of the evaluation was the national and regional projects implemented with participation from at least one OECS country. Some regional projects involving OECS countries also involve many additional countries in the Caribbean; others are focused only on OECS countries. For those regional projects involving many non-OECS countries, a full assessment of the projects' aggregate results, relevance, and efficiency was beyond the scope of this evaluation, which focused solely on the activities carried out in the OECS countries. There are several significant regional projects in the GEF OECS portfolio that are in the final stages of approval or early stages of implementation—for example, Sustainable Financing and Management of Eastern Caribbean Marine Ecosystems (GEF ID 3858) and Testing a Prototype Caribbean Regional Fund for Wastewater Management (GEF ID 3766); these projects were only reviewed for their relevance and other aspects related to design, but were not assessed with respect to results and sustainability.

The following limitations were taken into account and addressed, wherever possible, while conducting the evaluation:

- CPEs are challenging, as the GEF does not yet operate by establishing country programs that specify expected achievement through

programmatic objectives, indicators, and targets.<sup>3</sup>

- Attribution is another area of complexity. The evaluation does not attempt to provide a direct attribution of development and even environmental results to the GEF, but assesses the contribution of GEF support to overall achievements.
- Evaluating the impacts of GEF-funded initiatives is not straightforward. Many projects do not have possess reliable monitoring information for key indicators to measure biodiversity and climate change outcomes and impacts for example. Additionally, for some older projects, staff turnover and institutional memory were constraints. This evaluation sought to overcome these difficulties by drawing on multiple data sources, including internal project documentation dating to project implementation.
- Taking a regional approach to the evaluation was also logistically challenging, with activities for many of the regional projects carried out across multiple countries and involving a large number of stakeholders. In addition, the evaluation was required to handle six sets of all factors—of national environmental policies and priorities, of government stakeholders including GEF focal points, of national environmental circumstances, and so on. The OECS countries are often grouped together for efficiency and synergy (for example, in the World Bank OECS Country Assistance Strategy), but this evaluation has proven that focusing on this regional grouping is much more complex than focusing

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<sup>3</sup> Voluntary national portfolio formulation exercises have been introduced in GEF-5. Future CPEs conducted in countries that have performed such an exercise will use it as a basis for assessing the aggregate results, efficiency, and relevance of the GEF country portfolio.

on a single country, synergies and efficiency notwithstanding.

Despite inconsistencies, gaps, and discrepancies contained in data at the start of the evaluation, the evaluation team established a clear and reliable set of data on projects and project implementation. Stakeholder comments on the aide-mémoire, received in writing and at the consultation workshop held on May 31, 2011, were taken into account in finalizing the conclusions and recommendations contained in this report.

### 1.3 Conclusions

#### Results of GEF Support

**Conclusion 1: To date, GEF support in the OECS region has produced mixed results; positive achievements include regional-level results on climate change adaptation, and in reporting to conventions.**

Although the GEF has been providing funding in the OECS region for 17 years and its portfolio in the region is valued at over \$100 million, efforts completed to date can be described as primarily focused on enabling support and in the early stages of demonstration-level support. An exception to this is in the climate change focal area under adaptation, where there is an extensive body of completed work and knowledge.

A large percentage of the GEF's OECS portfolio consists of enabling activities, which were primarily completed in the GEF-2 (1999–2002) and GEF-3 (2003–06) replenishment periods. These activities supported the production of national reports to the conventions through national consultations and secondary data collection. In the biodiversity focal area, enabling activities facilitated the development of national biodiversity strategies and action plans, national reports required under the Convention on Biological

Diversity (CBD), and assessments of capacity-building needs. Regional and global enabling activities—Development of National Biosafety Framework (GEF ID 875) and an add-on project (GEF ID 2341)—have supported the development of national biosafety frameworks in support of the Cartagena Protocol on Biosafety. In the climate change area, national enabling activities supported the preparation of initial national communications to the United Nations Framework Convention on Climate Change (UNFCCC), and a second communication in the case of Dominica. Enabling activities supported the development of POPs national implementation plans in Antigua and Barbuda, Dominica, and St. Lucia. Evidence shows that enabling activities have played a valuable role in the portfolio by enhancing capacity and building awareness of global environmental issues at the national level. GEF support through enabling activities has also facilitated implementation of the conventions by providing a regular, if limited, stream of support to key government agencies responsible for the conventions (usually the ministry with responsibility for the environment), and providing technical and financial assistance to develop capacity of the environment departments within these ministries.

Of the completed projects, only the two adaptation projects—Caribbean Planning for Adaptation to Global Climate Change (CPACC; GEF ID 105) and Mainstreaming Adaptation to Climate Change (MACC; GEF ID 1084)—have generated significant positive results in the OECS region. Taken together, CPACC, the Adaptation to Climate Change in the Caribbean (ACCC) project funded by the Canadian International Development Agency (CIDA), MACC, and Implementation of Pilot Adaptation Measures in Coastal Areas of Dominica, St. Lucia and St. Vincent—Special Program on Adaptation to Climate Change (SPACC; GEF ID 2552) have formed a

series of adaptation projects linked in a logical, if very gradual, three-phase progression.

CPACC helped establish national-level governance through climate change focal points and intersectoral national climate change committees, which continue to work as representatives of the countries' needs and aspirations in climate change on the regional stage while coordinating efforts at the national level. CPACC also catalyzed the development of national adaptation policies; these were approved at the cabinet level in three countries, and the OECS countries have increased their engagement with the international policy process under the UNFCCC. MACC had more mixed results, but it also produced positive outcomes. It adopted a learning-by-doing approach to capacity building, consolidating the achievements of previous efforts, building on the progress achieved by furthering institutional capacity, strengthening the knowledge base, and deepening awareness and participation. Together, CPACC and MACC contributed to regional unification and cooperation on adaptation issues, and both significantly raised the profile and awareness of climate change adaptation issues throughout the Caribbean—resulting in increased appreciation of climate change issues at the regional policy-making level. Through these projects, the Caribbean Community Climate Change Centre (CCCCC) was established. A regional center of excellence, the CCCCC coordinates the region's response to climate change and is the key node for information and regional policy on climate change issues and on the region's response to managing and adapting to climate change. The current SPACC project is investing in demonstration activities in three countries (Dominica, St. Lucia, and St. Vincent and the Grenadines) based on their previous involvement in adaptation. On-the-ground activities are not yet fully under way, and have been reduced in number from seven to two.

Building on these GEF-supported adaptation projects, four OECS countries were selected for larger scale investment through the Pilot Program on Climate Resilience (PPCR), which is part of the Strategic Climate Fund, a multidonor Trust Fund within the Climate Investment Funds overseen by the World Bank. GEF support clearly established the necessary foundation for this new scaled-up initiative, for which participation criteria included country preparedness to move toward climate-resilient development plans.

Apart from the suite of enabling activities and the adaptation cohort, regional and national projects completed to date have not been highly successful. ROTI studies conducted on two early projects, the Ship-Generated Waste Management project (GEF ID 59) and the Dry Forest Biodiversity Conservation (GEF ID 815) in Grenada, indicated that these projects did not make significant progress toward impact-level results. The first project in the regional portfolio, the Wider Caribbean Initiative for Ship-Generated Waste project, was closed at the originally anticipated time, but an outstanding balance of \$1.7 million of the original \$5.5 million budget was canceled, and the project evaluation noted limited success toward overall objectives. The Caribbean Renewable Energy Development Programme climate change project (GEF ID 840) covered 17 countries and was extensively reformulated following its 2007 midterm evaluation. The project was completed in 2010; available data suggest that the project results were modest relative to the originally planned outcomes, particularly for the OECS countries.

Four regional FSPs are currently under implementation in the biodiversity, climate change, and international waters focal areas:

- **Biodiversity**—OECS Protected Areas and Associated Livelihoods (OPAAL; GEF ID 1204), involving all six OECS countries

- **Climate change adaptation**—SPACC, focusing on three OECS countries
- **International waters**—Integrating Watershed and Coastal Area Management in the SIDS of the Caribbean (IWCAM; GEF ID 1254), involving 12 countries; and Caribbean Large Marine Ecosystem (CLME; GEF ID 1032), involving 22 countries

Once the results from these projects are finalized and verified, they should account for a more substantive contribution from GEF funding in OECS countries.

Of these projects, the IWCAM and OPAAL projects have the most comprehensive presence in the OECS countries. The OPAAL project has produced some notable preliminary results, including an average 46 percent improvement (ranging from 6 percent to 82 percent at the individual level) in management effectiveness for six protected area project demonstration sites covering 24,693 hectares, based on the OECS scorecard system.

The IWCAM project has contributed to strengthened national and regional policies related to integrated water resource management. At the regional level, the project supported the accession of participating countries to the Cartagena Convention’s Protocol Concerning Pollution from Land-Based Sources and Activities in the Wider Caribbean, including Antigua and Barbuda. This LBS Protocol entered into force with the Bahamas accession in October 2010. Activities at the national level have included the development of integrated water resource management roadmaps and policies (in Antigua and Barbuda, and St. Lucia), site-based watershed management planning initiatives (in Dominica and Grenada), support for the development of a national water policy (in St. Kitts and Nevis), and the development of community-based integrated water

resource management projects (St. Vincent and the Grenadines).

While this collection of projects is producing an important and diverse body of results across focal areas, current implementation ratings suggest that the OPAAL, CLME, and SPACC projects have faced or are facing challenges in fully achieving their anticipated objectives.

**Conclusion 2: While regional approaches are appropriate for the OECS, they have not adequately incorporated tangible national-level activities. Within the full portfolio, on-the-ground results, catalytic up-scaling, and replication have been limited.**

In the OECS region, numerous issues lend themselves to regional approaches, given similarities in environmental resources and frequently limited capacity for effective environmental management. Most GEF-supported regional approaches here have focused on the enabling environment, largely addressing policy and information management issues. Efforts targeted at this level are critical to long-term success in conserving environmental resources. However, few GEF-supported initiatives in the region have included activities focused at the field level. National stakeholders thus may sometimes be hard pressed to identify what tangible results the years of GEF investment have produced within their countries.

Two main exceptions exist. The first is the GEF Small Grants Programme (SGP), which is inherently focused on practical activities at the community level. Many stakeholders in the region are more familiar with the SGP than they are with the “regular” GEF. The second is a pair of projects, IWCAM and OPAAL, which include significant national-level demonstration site activities, even if challenges requiring adaptive management have arisen during their implementation.



With the limited amount of practical experience and development of tested good practices, there has not yet been a significant catalytic effect from GEF support, other than in the climate change adaptation area. Here, the PPCR is expected to significantly scale up the work done thus far.

**Conclusion 3: While the GEF portfolio in the region is still in the early stages of demonstration-level support and there are a few highlights, there has, overall, been insufficient focus on sustainability within the portfolio.**

The GEF portfolio in the Caribbean region has demonstrated a long-term strategic approach to addressing climate change adaptation issues critical to the region, and embodied by the CPACC, MACC, and SPACC projects. These initiatives are now complemented by the PPCR, which is designed to provide financing for national climate-resilient development. This sequence of efforts demonstrates the kind of continuity, follow-up, and sustained effort at the regional and national levels—among the GEF and other donors—needed in all focal areas. Projects in other areas are too often stand-alone efforts with a limited focus on sustainability.

OECS governments have signaled their commitment to environmental management through official ratification of international environmental agreements. GEF projects have facilitated the development of draft legislation and policies to support their commitment to these agreements—for example, legislation related to biosafety and sustainable land management. Further action is needed: political will must be demonstrated to finalize and adopt these laws, regulations, and policies. GEF support is expected to contribute to this final step in institutionalizing laws and policies, thereby increasing the sustainability of project results.

**Conclusion 4: GEF support has expanded in scope within the OECS region, but has to date had limited progression in scale beyond the climate change adaptation area.**

GEF support in the OECS region has expanded across focal areas progressively over time. During GEF-1 (1995–98) and GEF-2, national projects were only supported in the biodiversity (11 projects totaling \$1.99 million in support) and climate change (8 projects totaling \$1.39 million) focal areas. During GEF-3, the GEF national portfolio in OECS countries had integrated multifocal area projects (mostly national capacity self-assessments [NCSAs], for a total of \$4.19 million), land degradation projects (involving national capacity building and mainstreaming of sustainable land management, for a total of \$2.50 million), and POPs projects (preparing national implementation plans for the Stockholm Convention, for a total of \$1.06 million).

GEF funding of regional projects has been allocated somewhat differently over time. During GEF-1, regional projects were supported in the climate change, international waters, and multifocal areas. During GEF-2, support was provided to the climate change and multifocal areas only; during GEF-3 and GEF-4, regional projects in the biodiversity, climate change, and international waters focal areas were supported.

At the national level, GEF funding has been primarily focused on the enabling activity modality. Project scale—in terms of funding, amount of activities, staff, overall complexity, and so on—has not increased much over time for national projects, and funding in fact stagnated. There was a slight increase in national project funding during GEF-3 due to the approval of sustainable land management MSPs in five of the six

countries and the approval of a national multi-focal MSP in Antigua and Barbuda. These averages are for GEF-1, \$0.16 million; for GEF-2, \$0.20 million; for GEF-3: \$0.40 million; and for GEF-4: \$0.18 million. The averages for regional projects have seen limited progression as well, and even a decrease in average funds provision during GEF-2. The averages for regional projects are for GEF-1, \$6.58 million; for GEF-2: \$2.55 million; for GEF-3: \$6.49 million; and for GEF-4: \$8.41 million.

The climate change portfolio in the Caribbean region has demonstrated a long-term strategic approach to addressing the region's critical climate change adaptation issues. Initial efforts received a boost from implementation of CPACC between 1997 and 2001; this project focused on vulnerability assessments, adaptation planning, and capacity-building activities. The regional adaptation portfolio was then expanded through the development of the CIDA-funded ACCC project, followed by the GEF-funded MACC project, which built on the previous initiatives. Complementing these regional efforts, SPACC was developed to support efforts by Dominica, St. Lucia, and St. Vincent and the Grenadines to implement specific integrated pilot adaptation measures addressing the impacts of climate change on the region's natural resource base. All of these projects are now complemented by the World Bank's globally based PPCR, which is designed to provide financing for climate-resilient national development. Thus the regional focus in the adaptation area is becoming steadily more specific and targeted, whereas globally it is becoming more expansive. The focus is coming down to the national level with PPCR, which, through concessional loans and other mechanisms provides more significant resources than what has been available through the GEF to date.

### **Conclusion 5: Institutional and individual capacity for environmental management remains a critical issue in the region.**

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Capacity strengthening is an important priority in the OECS region to ensure that national agencies can develop and manage GEF projects. Only Antigua and Barbuda is implementing an FSP (Demonstrating the Development and Implementation of a Sustainable Island Resource Management Mechanism in a Small Island Developing State, GEF ID 1614); Antigua's Environment Department made the project's design and approval process strongly country driven. The other national-level non-enabling activity project is Grenada's Dry Forest Biodiversity Conservation MSP. It did not have strong stakeholder ownership from national institutions during design and implementation, and had little continuing activity or support following its completion.

Capacity development is also critical within civil society, which is currently constrained in its ability to play an active and engaged role in contributing to effective environmental management in the region. This need is underscored with regard to the SGP: few civil society and community-based organizations have the capacity to engage with the program and take advantage of its resources.

### **Relevance of GEF Support**

### **Conclusion 6: GEF support has been relevant to OECS countries' national environmental priorities, but regional approaches have diluted relevance on efforts that are not a direct output of country-driven initiatives**

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Most funding in the GEF's OECS portfolio is implemented through regional projects, many of which include a majority of non-OECS country participants. The effectiveness of a regional approach can be diluted by the number of participating states, and the capacities available to

deliver the project at the regional and national levels. Stakeholders interviewed spoke of limited ownership of regional projects stemming from several factors:

- Global and regional project objectives are difficult to align with national priorities
- Regional project activities and outcomes have low visibility at the national level
- The institutions and stakeholders involved in project activities and outcomes are not necessarily the right ones, and stakeholder involvement is not sufficiently comprehensive
- The relevance of project objectives and outputs is not always clear to national stakeholders

Where GEF-funded efforts have clearly been driven by OECS national stakeholders, there is a greater sense of stakeholder ownership, which is one of the critical elements for achieving and sustaining results.

**Conclusion 7: GEF support has been relevant to global environmental benefits in the OECS region and to GEF operational policies, strategies, and procedures.**

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The OECS portfolio covers all the GEF focal areas, except ozone depletion, which is not a priority for OECS countries. A majority of the portfolio is in the international waters focal area, with most of the remainder allocated nearly equally between biodiversity and climate change. A recent set of national MSPs focused on land degradation. The national development and environmental agenda that has evolved in the OECS over the past 15 years has benefited substantially from the baseline and technical information GEF support has enabled. In addition, the opportunity to identify priorities and establish strategies and action plans in biodiversity, climate change, sustainable land management, and international

waters has helped move the OECS environmental agenda forward.

Since the earliest days of GEF funding in the OECS, there has been a tension between achievement of global environmental benefits and national environmental priorities. The present suite of projects reflects more of a balance between these sets of objectives.

### Efficiency of GEF Support

**Conclusion 8: On average, greater time has been required to develop and approve projects in the OECS region than in other countries receiving GEF support.**

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The evolution of the GEF Activity Cycle since 1992 makes assessing project cycle times challenging. Further, the project cycle differs by modality (FSP, MSP, and enabling activity), and its duration is affected by project scope. For example, regional projects require synchronization of people and resources across all participating countries, which can influence the project cycle duration.

The evaluation found that project cycle times in the OECS region are longer than those for other recently reviewed GEF portfolios. For the national FSP in Antigua and Barbuda, the time required to develop and approve the project was considerably longer than for FSPs elsewhere: 54 months from pipeline entry to implementation start, compared to about 24 months in Turkey, 35 months in Costa Rica, and approximately 42 months in Moldova and Nicaragua. The national MSPs also took much longer to develop and approve than the average in other countries: a 46-month average duration, compared to less than 12 months in Moldova, 17 months in Nicaragua, and almost 20 months in Turkey. Average durations for OECS regional projects are also longer than elsewhere. Regional FSPs took 23

months to move from pipeline entry to implementation start; MSPs took 14 months.

**Conclusion 9: There has been inadequate communication and coordination among different levels of the GEF partnership (the global conventions; the GEF Secretariat; the GEF Agencies; the GEF focal points; and regional, national, and local stakeholders).**

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The GEF system, in theory, is structured so that actors take on roles matched to their comparative advantage. In a region like the OECS with limited capacity, limited resources, and a limited number of people involved in environmental management, reality has not always aligned with theory. There are also complex cooperative relationships among various actors in the OECS, including among the countries themselves—for example, for cruise ship patronage, which is one of the pillars of the regional economy. Communication and coordination in the region can be challenging, and face-to-face communication is nearly a requirement for effective cooperation. Added to which, there is an inadequate flow of all types of information related to the GEF as an institution, the nature and status of activities undertaken with GEF support, and the operating environment for GEF-supported activities.

Responsibility for engagement with the GEF lies at the national level with the focal point mechanism. In several OECS countries, there is no institutionalized mechanism for formal interaction between the GEF focal point and the relevant convention focal points. Some country focal points are attempting to include a broad range of stakeholders in decision-making processes by leveraging national multistakeholder coordination mechanisms; others have not yet done so. A potential lack of broad consultation with and dissemination of information to national stakeholders is one weakness of the GEF's focal point mechanism—which

places a significant burden on individuals who are responsible for serving as the single point of information flow between the GEF network and national stakeholders. The GEF requires national focal point endorsement of a project as evidence that a project is country driven, but this does not appear to be a reliable indicator. An endorsement or lack thereof provides no evidence of the inclusiveness of the process and the involvement of other government, private sector, and civil society stakeholders.

**Conclusion 10: Implementation arrangements for regional approaches have not been fully designed and supported to ensure efficiency, communication, and execution.**

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There are trade-offs to be made when project implementation arrangements are designed, particularly for complex regional projects involving many stakeholders in multiple countries. Leveraging regional institutions—such as the OECS Secretariat, the Caribbean Community (CARICOM) Secretariat, the CCCCC, or the Caribbean Environmental Health Institute—as executing organizations can create additional layers of administration between the countries and the GEF. On the other hand, it can also contribute to effectiveness and efficiency if lines of communication are well established; project management is well designed, adequately resourced, and executed as planned; and adaptive management is applied.

Different implementing arrangements within projects have shown varying degrees of success. For example, the IWCAM project design budgeted for national management of the pilot/demonstration sites; the OPAAL project did not, as it was expected that the national government staff would fit the OPAAL work into their regular workload, thereby demonstrating national commitment and contributing to sustainability beyond the end of the project. In practice, government personnel

have been stretched thin, and have not been able to provide the commitment necessary to achieve efficient results.

Synergies among focal areas are also important, as in the case of the biodiversity-focused OPAAL project, which has links with the climate change-focused MACC. However, greater synergies can be exploited between the UNFCCC and the CBD, for example, to increase the availability of resources at the national level to undertake biodiversity-related adaptation.

**Conclusion 11: GEF support in the region has leveraged an increasing proportion of resources over time.**

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The portfolio analysis shows an increase in cofinancing ratios over time, with an overall cofinancing ratio for GEF-1 projects of 0.5, for GEF-2 0.9, for GEF-3 1.9, and for GEF-4 2.0. Significant cofinancing amounts have been provided to regional projects in the international waters focal area, which has a cofinancing ratio of 5.9. As expected, more cofinancing has been provided to FSPs than to MSPs and enabling activities. At the national level, cofinancing in the land degradation focal area has been significantly higher than for other focal areas, largely because of a series of land degradation MSPs, since enabling activities have typically not had significant cofinancing.

Interviews and project reviews revealed some programming synergies among donors. For example, the European Union (EU) provided funds to implement recommended activities from some enabling activities. Also, UNEP has collaborated with the World Bank in biosafety. In the biodiversity focal area, the GEF and the EU have worked together to develop and approve national parks and protected areas. Furthermore, there has been cross-collaboration with countries outside the region and with other institutions engaged in relevant activities.

Recently, some OECS countries have been able to leverage grant funds and concessional loans from the Climate Investment Fund to undertake demonstration and scale-up activities in climate change adaptation through the PPCR.

**Conclusion 12: The evolution of the SGP from a subregional program to a more nationally based approach presents opportunities but needs to be properly managed.**

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Since its inception across OECS countries, the SGP has operated as a subregional program, with a coordinator and program assistant based in the UNDP offices in Barbados, and a Barbados-based subregional steering committee. From 1994 to 2005, the subregional program covered 10 countries: all nine members of the OECS, plus Barbados. Following its involvement with an SGP initiative aimed at preservation of its Morne Trois Pitons World Heritage Site, Dominica instituted a full national SGP in 2005. The next year, the GEF Council decided that the United Kingdom Overseas Territories were no longer eligible for SGP funding. A move toward decentralization of the SGP subregional program followed, accompanied by the development of country programme strategies. At the same time, in each of the participating OECS countries, a mostly volunteer national focal person and fully volunteer national focal group were established.

Various data sources for this evaluation indicate that while there are some efficiency gains in operating as a subregional program, there are also a number of efficiency and effectiveness trade-offs. Even with semi-regular in-person visits, the level of communication and support from the central node has not sufficiently overcome civil society capacity barriers and help stakeholders in each country to take full advantage of SGP resources. Without a full-time country-based national coordinator, the accessibility of information for

grantees regarding SGP requirements and procedures is limited.

Dominica's national SGP clearly benefits from the presence of a full-time national coordinator who can actively reach out to, engage, and support potential grantees. The Dominica program has a physical office, with a specific workspace for grantees to use in completing—and receiving assistance with—the program's administrative requirements. Dominica also receives and greatly benefits from support from the SGP subregional office. The subregional office has provided training to the Dominica SGP staff, and facilitates grant processing through the UNDP Barbados office and the United Nations Office for Project Services. The subregional office also has a wealth of knowledge and experience of the historical SGP portfolio in the region, and can provide guidance on key lessons, monitoring and evaluation (M&E), as well as support on resource mobilization.

In GEF-5, multiple countries—including Antigua and Barbuda, Grenada, St. Lucia, and St. Vincent and the Grenadines—have discussed with the SGP transitioning their SGP involvement to national programs with a full-time national coordinator. Even with the establishment of nationally based programs, the countries will still need to rely on the Barbados office for administrative support, as they do not have their own UNDP country offices. This new approach creates opportunities to enhance grantees' access and uptake of GEF resources—provided there continues to be a strong focus on ensuring that SGP resources are used in alignment with GEF objectives and principles.<sup>4</sup>

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<sup>4</sup> There is evidence of one SGP national program allowing grants to be given to government entities such as village councils; this is against SGP rules.

Most of the civil society organizations in the OECS region have limited capacity and access to resources. They function largely with volunteers, and only a few can afford office space or even part-time administrative services. Consequently, a major risk of a national SGP is lack of capacity. With SGP resources at the national level envisaged to increase by at least 9–10 times over current levels, an additional major risk is the absorptive capacity of these organizations. The subregional program receives \$350,000 per year for six countries, or an average of \$58,333 per year per country; this is much less than Dominica has received annually as a country program (\$250,000).

Yet another risk is the absorptive capacity of non-governmental organizations (NGOs) and community-based organizations. They will have to become very familiar with all SGP procedures and requirements and be able to formulate and manage projects to a suitable performance level. The national coordinators also will have to come up to speed in their understanding of SGP procedures and requirements. As noted in the recommendations, investments in civil society capacity development will be needed to ensure an absorptive capacity commensurate with the level of resources that will be available to them.

**Conclusion 13: Project-level monitoring and evaluation has supported adaptive management in the portfolio, but tracking impact-level results is hampered by a lack of environmental monitoring data.**

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Monitoring and evaluation is broken into two components—project-level M&E and environmental monitoring. Project-level monitoring in the GEF's OECS portfolio has improved over time, and projects currently being implemented have demonstrated adaptive management based on project M&E. The older projects in the portfolio generally lack adequate logical frameworks,

indicators, and comprehensive M&E plans (as did the majority of GEF projects prior to the GEF-3/GEF-4 time frame).

Of the five currently active regional FSPs, four have taken significant adaptive management actions as a direct result of M&E activities. The Caribbean Renewable Energy Development Programme underwent a major restructuring following its midterm evaluation in 2007. The OPAAL project received a 15-month extension to allow for completion of key project activities, as a result of recommendations made during the midterm review. Based on findings from its midterm review in mid-2010, SPACC underwent a significant restructuring in late 2010, reducing the number of pilot activities planned. The CLME project has taken several adaptive management actions based on regular monitoring by the project team and steering committee.

Assessing impact-level results in the OECS countries is extraordinarily challenging given a lack of solid baseline data on the status of environmental resources, and a corresponding lack of systematic monitoring data to assess trends over time. Impact-level results are thus typically anecdotal, or limited to small geographic sites specifically targeted by project activities where changes can be more easily documented.

## 1.4 Recommendations

### To the GEF Council

**Recommendation 1: The design and implementation of future regional projects in SIDS should be based on a participatory, stakeholder-driven process and include tangible, on-the-ground activities in participating countries as well as adequate resources for coordination.**

Regional projects formulated to include multiple countries need to ensure highly participatory and

country-driven designs and approaches. Simply holding multiple stakeholder consultation meetings is not sufficient; the process must be truly stakeholder owned and driven. In addition, extensive analysis must be conducted to assess technical as well as operational risks, and to appropriately analyze barriers. Such analysis is particularly necessary in the context of a regional approach where project participants are separated geographically and there is not regular face-to-face communication. While regional project design periods should not be unnecessarily extended, significant time may be required to ensure a satisfactorily participatory design process to build and secure stakeholder ownership in multiple countries. Data collected during the evaluation indicated that regional projects did not always reflect the priorities of each individual country participating in the regional initiative. A one-size-fits-all regional approach may not apply to the OECS situation, where institutional and technical capacities are not uniform across six countries. National ownership of regional projects may be limited to those stakeholders who are actually involved in the day-to-day implementation of the regional project.

There are some indications that this process may be improving in regional projects now in the design phase; there are also some positive historical examples, such as the IWCAM project, which is now benefiting from strong stakeholder ownership in the implementation process. However, multiple regional projects currently under implementation have faced challenges and required restructuring. The progress made in this area notwithstanding, this is a critical issue that directly links to project success and sustainability, and must continue to be emphasized—particularly for SIDS regions, where regional projects have been common, and extra effort may be required to comprehensively engage stakeholders in all participating countries.

Regional projects in the OECS demand strong coordination and communication across geographic, national, and institutional boundaries. Effectively engaging a wide range of stakeholders with varying capacities can be a resource-intensive exercise. The OECS states participate in a number of regional projects, including some with national components. Often, these components are executed by the same national agencies whose absorptive capacities are already limited. Project funding to strengthen national capacities to meet the rigorous GEF and GEF Agency operating procedures often is similarly limited. During project design, in an attempt to come up with counterpart financing, inadequate consideration is given to identifying appropriate project financing for sourcing capacities for national-level implementation. National activities thus may be compromised and not undertaken in a timely manner.

To secure GEF funding, regional projects must be approved by the governments of the participating states, and regional approaches must reflect adequate national relevance and ensure national engagement. Ensuring motivation and ownership of regional projects requires investments at the national level so participating countries and national agencies can see funds being channeled for local, site-specific activities designed in close collaboration with local stakeholders and intended to show tangible results. Some recent regional GEF projects have included national demonstration activities. The OPAAL project is financing demonstration sites in each of the six participating countries, and the IWCAM project has three demonstration sites in the OECS region. These projects have demonstrated that an effective approach to this issue is the inclusion of tangible, on-the-ground, national-level activities that contribute to the objectives of the regional approach. Such activities should be included in

future regional projects to enhance national relevance and ownership.

It is therefore recommended that regional projects with a multicountry focus ensure highly participatory and country-driven designs and approaches, and include tangible on-the-ground components. By so doing, stakeholder ownership of the process and results can be ensured, and the capacity limits of national stakeholders to be engaged in project execution adequately assessed. Stakeholders should ensure that adequate resources are provided for efficient and effective project implementation aimed at achievement of results, rather than ending up with short-handed efforts that consume resources while failing to achieve desired objectives. Resources for efficient and effective project implementation should not be limited to some arbitrary standard, but should be based on the principle of cost-effectiveness relative to the coordination and communication demands required by regional project implementation arrangements.

Regional projects for SIDS have potential benefits, and certain environmental issues lend themselves easily to regional approaches, such as the management of marine resources and issues related to interstate commerce. OECS countries are moving toward harmonized policy approaches on environmental issues, as called for in the St. George's Declaration of Principles for Environmental Sustainability in the OECS. Highly technical issues such as biosafety and climate change monitoring and adaptation are also better suited to regional approaches since national capacities and institutions are limited. Capacity building, training, and the formulation of frame policies and legislation are activities that can be more cost-effective if offered through regional mechanisms. In addition, regional projects include the potential for reduced transaction costs and efficient implementation



arrangements in terms of the number of institutions interacting with the GEF Agency (although efficiency gains are not guaranteed).

To further extend the findings of this evaluation, the GEF Evaluation Office may consider further investigating and analyzing the communication and coordination resource requirements of regional or global projects as compared to nationally based projects. The GEF Council and GEF Secretariat currently hold all projects to the same management cost benchmarks, even though management and coordination requirements likely can vary significantly depending on the nature of the project implementation approach.

**Recommendation 2: Provided cost-effectiveness is ensured and risks have been fully assessed, OECS countries should be supported in their efforts to increase the scope for national projects with their System for Transparent Allocation of Resources (STAR) allocations.**

To date, the GEF national portfolio in the OECS region has primarily consisted of enabling activities, with only two national-level MSPs or FSPs: the completed Grenada Dry Forest Biodiversity Conservation MSP, and the Antigua and Barbuda Sustainable Island Resource Management Mechanism FSP currently under implementation. Also under implementation are a set of land degradation MSPs undertaken as part of a larger umbrella project. These national projects have faced certain challenges, but have also shown some strong results—a pattern of performance consistent with the OECS portfolio of regional projects. Through the extensive number of GEF-supported enabling activities and experience gained with national demonstration activities, OECS project management and implementation capacity has been strengthened. Stakeholders interviewed felt that after 10 years of undertaking enabling activities and participating in regional projects, national

institutions are well prepared to implement national-level FSPs and MSPs, following Antigua's positive example.

As highlighted at various points in this evaluation, regional projects are a valuable modality, and are particularly relevant on transboundary issues or issues requiring extensive technical capacity. On the other hand, the development and implementation of national projects presents the opportunity for strengthened focus on national priorities, strong country ownership, stakeholder participation, national institution capacity strengthening, and impact-level results. During the evaluation, government stakeholders indicated plans for the use of STAR allocations through national projects under GEF-5. The evaluation found that this move should be supported by the GEF Secretariat and, in particular, by the GEF Agencies, which, in the absence of a GEF “direct access” modality for MSPs and FSPs, serve as the direct intermediaries between the countries and their access to GEF funding. While stakeholders in the OECS region should be supported in any well-developed nationally focused proposals, all GEF project concepts must have adequate risk assessments, ensure cost-effectiveness, and be appropriately scaled to the national context.

**Recommendation 3: GEF support in the OECS region should include adequate attention for the capacity of environmental civil society organizations at the systemic and institutional levels.**

GEF support frequently focuses on national institutions that have legal mandates to safeguard and manage a country's environmental resources. However, effective management of these resources requires the participation and engagement of a wide range of stakeholders, including private sector and civil society actors. Civil society participation is critical and can fulfill diverse roles, including watchdog, capacity developer, and data

provider. Furthermore, civil society organizations play an important role as a public educator in terms of raising public awareness on environmental issues. All of these activities provide necessary support to government agencies tasked with protecting their nation's environmental resources.

The evaluation confirmed the general perception that, with a few exceptions, civil society in the environmental sector in the OECS region has limited institutional capacity to become effectively engaged; moreover, the systemic conditions are not in place to facilitate the fulfillment of their role. The number of environmentally focused civil society organizations in the region is limited; those that do exist have few human, technical, and financial resources. In addition, there is no effective regional civil society network to support and reinforce the capacities of the individual organizations. This issue is particularly relevant in the context of the GEF SGP at the community level, although it is also a concern at the national and regional levels.

Through the GEF's Capacity Development Initiative, the OECS countries have undertaken NCSAs, identifying and documenting national capacity gaps in relation to implementation of the Rio Conventions. Current GEF project preparation requirements request references to NCSAs, which should inform future programming and ensure that areas identified are targeted for support.

## To National Governments

**Recommendation 4: In countries where public sector environmental agencies have inadequate institutional capacities, modalities should be explored that will ensure stronger engagement of national stakeholders—including civil society—beyond the focal point mechanism.**

The GEF's primary structure for formal engagement with national-level stakeholders is through

designated national political and operational focal points. Most national GEF focal points undertake some form of coordination of GEF-related activities at least within the government, but communication is frequently informal, and may not involve all relevant national stakeholders, even within government institutions. In several OECS member states, there is no institutionalized mechanism for formal interaction between the GEF focal point and the relevant convention focal points (although in some cases these may be the same person). Few OECS countries have structured national coordination mechanisms for environmental issues, or these mechanisms may not be fully functional.

A potential lack of broad consultation with and dissemination of information to national stakeholders is one weakness of the GEF focal point mechanism, which places a significant burden on a lone individual serving as the single point of information flow between the GEF network and national stakeholders.

It is recommended that modalities be explored that will ensure stronger engagement of national stakeholders beyond the focal point mechanism. One option could be to broaden the GEF partnership at the national level to a multisectoral GEF national council or steering committee chaired by a decision maker in the relevant ministry, such as the permanent secretary or GEF focal point, as appropriate. The creation of new mechanisms should be avoided when possible; some countries already have national coordination mechanisms that could be leveraged. Most GEF projects institute national steering committees, and the creation of a standing GEF steering committee that could provide guidance on GEF matters in the country as a whole could reduce redundancy and enhance efficiency. Flexible arrangements would be critical in meeting the varying needs and institutional circumstances of individual countries, as

environmental conservation and management do not fall under the same line agency in all countries.

### **To the Small Grants Programme Steering Committee**

**Recommendation 5: As the SGP shifts from subregional to nationally based programs, resources should be allocated to ensure support from the subregional node at least during the transition period.**

Antigua and Barbuda, Grenada, St. Lucia, and St. Vincent and the Grenadines are transitioning their SGP involvement to national programs with a full-time national coordinator. As highlighted in Conclusion 12, this transition presents both opportunities and a need to be managed. Previous SGP experience globally and the specific circumstances of the OECS region indicate that, even with the establishment of nationally based programs, the countries will likely rely on the UNDP Barbados office for administrative support, as they do not have their own UNDP country offices. Dominica's experience illustrates that adequate

support is critical for the effective and efficient ramp-up of the program. The SGP regional office provides training for national coordinators on SGP requirements. It is vital that SGP continue its funding of high-quality projects in a manner consistent with GEF SGP policies and procedures. The subregional office will be able to provide support on knowledge management, lessons and good practices, external communications (including the program website), and resource mobilization. The SGP and GEF Secretariat should ensure that the resources are available to facilitate this crucial support, and that the subregional office has the mandate to provide this support. The subregional office should strategically plan to assist the OECS countries in ramping up their national programs, and be prepared to provide support on critical issues such as eligibility for GEF funding and monitoring, reporting, and evaluation. Further streamlining of administrative procedures may be needed to facilitate efficient program management and reporting of results at the subregional level.