The GEF has a solid track record of delivering environmental results. For still better performance, it needs to improve its project M&E and make its project cycle more efficient.

KEY FINDINGS

Satisfactory performance overall. The GEF project portfolio performed well on most parameters and shows improvement from GEF-3 (2002–06) to GEF-4 (2006–10), the most recent periods for which such a comparison is feasible. A high percentage of GEF projects are rated as having satisfactory outcomes (81 percent) and quality of implementation (79 percent). Cofinancing commitments are fully met for 59 percent of completed projects; on average, materialized cofinancing exceeds promised cofinancing by 26 percent. Sustainability of outcomes was rated likely for 62 percent of the completed projects, though there are considerable risks to the benefits for the remainder. Risks tend to be higher in countries with limited resources for follow-up activities, and in those with high political and institutional risks. Sixty-four percent of projects were rated as satisfactory for their quality of M&E implementation, although the performance of GEF-4 projects (69 percent satisfactory) shows only a slight improvement over that of GEF-3 projects (62 percent satisfactory).

Efficiency. Progress in project cycle efficiency has been slow during the GEF-6 period. Only 37 percent of the proposals for GEF-6 full-size projects were endorsed by the Chief Executive Officer (CEO) within 24 months from their first PIF submission. Although an improvement over GEF-5 (26 percent) and GEF-4 (21 percent), this performance is still low. The project cycle for GEF-6 projects was less efficient than for GEF-5 projects between first submission of the project identification form (PIF) to the PIF approval stage, but more efficient from the PIF approval to CEO endorsement stage. The GEF-6 replenishment shortfall is at least partially responsible for the lag between PIF submission and PIF approval.

Corporate environmental targets. GEF programming for GEF-5 and GEF-6 is consistent with the corporate environmental results targeted. The GEF is projected to exceed targets for 8 of the 13 corporate environmental results indicators for the GEF-5 period.
DATA SOURCES

The main sources of information for the analysis presented are the terminal evaluation reviews prepared by the GEF IEO or the independent evaluation offices of the GEF Agencies. Terminal evaluations for 1,184 completed projects submitted to the GEF IEO since the GEF’s inception through 2016 are covered. Of these, 581 terminal evaluations received after the close of the Fifth Comprehensive Evaluation of the GEF (OP55) comprise what is here referred to as the OPS6 cohort.

Information presented here also draws on an analysis of the project documents for 686 projects funded partially or fully through GEF Trust Fund resources during GEF-5.

For GEF-6, despite a shortfall in GEF resources, the aggregated results from approved PIFs exceed GEF-6 targets for 6 out of 10 environmental results indicators.

Environmental stress reduction. At project completion, 59 percent of the GEF projects from the OPS6 cohort had already led to environmental stress reduction or environmental status change. Similarly, 61 percent of completed GEF projects were achieving broader adoption.

BACKGROUND

The GEF IEO has been systematically tracking project-level accomplishments since 2005. An overview of the performance of completed projects, along with targeted analysis on other performance-related topics, is presented annually by the GEF IEO. The present evaluation assesses performance on several parameters at a greater depth than in the past. Several topics—such as time lags in the project cycle, progress to GEF-5 targets, and progress to impact—have been specifically covered to provide inputs to OPS6.

RESULTS

Outcomes. Of the 1,173 completed projects rated for their expected outcomes, 81 percent were rated in the satisfactory range. Of the 577 completed projects of the OPS6 cohort that were rated, 79 percent were rated as satisfactory. The ratings underscore the solid track record of GEF projects in delivering expected short- to medium-term results. Comparison across periods shows that most GEF projects continue to deliver their expected outcomes. Of the 302 rated GEF-4 projects, 85 percent were rated in the satisfactory range, compared to a target of 75 percent set in the policy recommendations for the GEF-4 replenishment.

Linear regression analyses suggest that quality of implementation, quality of execution, and shortfall in materialization of cofinancing are among the key determinants of outcome ratings. Quality of implementation and quality of execution ratings positively affect outcome ratings. Materialization of less than 50 percent of promised cofinancing negatively affects outcome ratings, as various planned activities may be dropped or scaled down.

Among select country groups where project performance was tracked, outcomes of a higher percentage of projects implemented in the large emerging economies of Brazil, China, India, Mexico, and the Russian Federation—which account for the five largest country portfolios in terms of GEF funding—had outcomes in the satisfactory range. A significantly lower percentage of projects implemented in Africa, least developed countries, and small island developing states were rated in the satisfactory range for outcomes. Within Africa, there is considerable difference in performance across countries. While outcomes of 90 percent of the projects implemented in North African countries (n = 29) were rated in the satisfactory range, those for 69 percent of the projects implemented in East African countries (n = 74) and for 62 percent of the projects in west Sub-Saharan countries (n = 26) were rated as satisfactory. When variables such as quality of implementation, quality of execution, quality of M&E design, and materialization of cofinancing are controlled for, the relationship between outcome ratings and the development status of the country (e.g., least developed African countries versus large economies) is not statistically significant. This shows that better outcomes in Africa may be achieved if implementing Agencies accord greater attention to project preparation and implementation.

Sustainability. Of the 1,118 completed GEF projects rated on sustainability, 62 percent (689 projects) were rated as having outcomes likely to be sustained; the remainder were assessed as facing considerable risks to continuation of their benefits. Of the 545 terminal evaluations of the OPS6 cohort that were rated for sustainability, 63 percent (346 projects) were rated in the likely range. The trend across the GEF replenishment periods shows improvement in sustainability ratings, although the figures for GEF-4 may change as more terminal evaluations for GEF-4 projects become available.

Among the regions, a significantly lower percentage of projects in Africa

“A vast majority of GEF projects delivered their expected results, although long-term sustainability remains a challenge. Based on the progress made so far, the GEF is on track to meet its GEF-6 targets for the majority of results indicators.”

—Neeraj Kumar Negi, IEO Senior Evaluation Officer
were rated in the likely range for sustainability. Within Africa, there is considerable variation in performance. While the sustainability of 64 percent of projects in North Africa \((n = 28)\) is rated as likely, only 35 percent of projects in Sub-Saharan countries excluding eastern and southern Africa \((n = 76)\) are so rated. Among other select country groups, the sustainability of the outcomes of 85 percent of projects in countries with large GEF portfolios \((n = 135)\) were rated as likely. In comparison, only 44 percent of projects in least developed countries \((n = 154)\) and 55 percent in small island developing states \((n = 72)\)—i.e., countries where there are considerable capacity and resource constraints—were so rated.

Compared to projects from other focal areas, sustainability of a higher percentage of climate change projects (69 percent) was rated as likely. The sustainability ratings for other focal areas are not statistically different from others. GEF Agencies do not differ significantly in terms of the sustainability ratings of projects implemented by them.

**Implementation.** Of the 970 completed projects rated on quality of implementation, 79 percent were rated in the satisfactory range. Although there is an improving trend across the GEF periods, much of the gains took place from the pilot phase to GEF-1. Of the 547 OPS6 cohort projects rated on quality of implementation, 79 percent were rated as satisfactory.

**Project M&E.** Of the 1,012 completed projects rated on quality of M&E implementation, 64 percent were rated in the satisfactory range. Of the rated projects of the OPS6 cohort (546 projects), 62 percent were rated as satisfactory. Compared to the preceding periods, ratings show an improvement for the GEF-4 period: 69 percent satisfactory for GEF-4 compared to 62 percent for GEF-3.

**Cofinancing.** The promised cofinancing mobilized for GEF-6 projects through June 2017 is 8.8:1.0, which exceeds the portfolio cofinancing target of 6:1. There has been a steady increase in the cofinancing ratio at the portfolio level since GEF-1.

Of the 991 completed projects for which cofinancing data are available, materialized cofinancing surpassed cofinancing commitments by 26 percent on average. Sixty-nine percent of these projects received at least 90 percent of their promised cofinancing, while 13 percent received less than half of their promised cofinancing.

**GEF project cycle.** Of the 90 PIFs for full-size projects submitted during the first year of GEF-6, 37 percent had been CEO endorsed within 24 months of their submission. This is a substantial improvement over the performance during GEF-5 (26 percent) and GEF-4 (21 percent). While the project cycle for GEF-6 projects was less efficient than GEF-5 from PIF submission to PIF approval, it was more efficient from the PIF approval to the CEO endorsement stage. The increase in time taken from PIF submission to PIF approval for GEF-6 projects seems to be driven by the shortfall in the GEF-6 replenishment. A fuller picture for the GEF-6 proposals will emerge after sufficient time has elapsed after the period’s end to track progress of the PIFs submitted during GEF-6.

**Progress to GEF-5 and GEF-6 targets.** GEF programming for GEF-5 and GEF-6 is consistent with the corporate environmental results targets for the respective replenishment period. Data from project documents show that the GEF is on track to meet most of its GEF-5 environmental results targets. Of the 13 environmental indicators that could be tracked—and after adjustments for potential cancellations and implementation failures—the GEF is on course to achieve or exceed its expected
level of targets for 8 indicators. Achievement is likely to be slightly lower than the level targeted for three indicators, of which two pertain to chemicals and one to biodiversity conservation. Targets for two of the three indicators relevant to the land degradation focal area are unlikely to be met. Compared to the progress reported in 2014, the 2017 data for GEF-5 show increased expectations for 9 of the 13 indicators. For the remaining four indicators, there has been a decrease in expected benefits as some of their project proposals down-scaled their level of expected results.

For GEF-6, the aggregated expected results from approved projects exceed GEF-6 targets for 6 of 10 environmental results indicators. The only indicator for which there was no uptake relates to ozone-depleting substances phaseout, where GEF involvement has been declining. When the level of fund utilization, and likely cancellations and implementation failure rate, is accounted for, adjusted expected results are commensurate with funding for 7 of the 10 indicators.

**Environmental impact and broader adoption.** Environmental stress reduction reflects reductions of biophysical threats emanating from human actions. Of the 415 GEF projects of the OPS6 cohort that were reviewed, 59 percent were achieving stress reduction or environmental status improvement at project completion (figure 1). Environmental stress reduction and environmental status improvement appear to be linked with the environmental challenge being addressed, the country considered, the geographic focus (global versus regional), and the scale of GEF funding. Thirteen percent of the projects were reducing environmental stress or improving environmental status at a large scale—i.e., targeting a system or national level—and 45 percent of projects were reducing stress or improving the environmental status at a local scale. Forty-one percent of the projects had either not achieved any environmental stress reduction or environmental status improvement yet, or such changes were not yet possible to assess. Sixty-one percent of GEF projects achieved broader adoption at project completion. Country context plays an important role: projects implemented in large emerging economies are more likely to achieve broader adoption at higher scales than those implemented in other countries.

![FIGURE 1: Percentage of GEF projects achieving environmental stress reduction and broader adoption](image-url)