



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

GEF/ME/C.46/Inf.3

May 2, 2014

GEF Council Meeting

May 25 – 27, 2014

Cancun, Mexico

**ANNUAL PERFORMANCE REPORT 2013
(UNEDITED)**

(Prepared by the GEF Independent Evaluation Office)

1. Background and Main Conclusions

1.1 Background

1. The Annual Performance Report (APR), prepared by the GEF Independent Evaluation Office (IEO), provides a detailed overview of the performance of GEF activities and processes, key factors affecting performance, and the quality of Monitoring and Evaluation systems (M&E) within the GEF partnership. The APR provides GEF Council members, Secretariat, Countries, Partner Agencies, and other stakeholders, information on the degree to which GEF activities are meeting their objectives, and identifies areas for further improvement.
2. APR 2013, the tenth APR produced by the GEF IEO, includes first-time coverage of 160 completed projects – the largest single APR year cohort to date. The large number of projects in the APR 2013 cohort is in part a reflection of a maturing GEF portfolio. When combined with past APR year cohorts, the pool of completed projects for which performance data is available facilitates enhanced reporting of performance trends, including by GEF replenishment phase.
3. In total, APR 2013 projects account for \$630.8 million in GEF funding and consist of projects for which terminal evaluation reports have been submitted to the GEF IEO from the period October 1, 2012 to December 31, 2013.
4. As in past years, APR 2013 reports on project outcomes, sustainability of project outcomes, quality of project implementation and execution, trends in co-financing, trends in project completion extensions, quality of project monitoring and evaluation systems, and quality of terminal evaluation reports. This year's APR also features two sub-studies, one updating the OPS-5 analysis on Council Approval and CEO Endorsement stages related time lags and the other examining the effect of co-financing on the GEF project cycle.
5. Findings presented herein are based primarily on the evidence and ratings presented in terminal evaluation reports prepared by GEF agencies at the time of project completion. Prior to reporting in APRs, all terminal evaluations and ratings are reviewed and validated by the GEF IEO, the independent evaluation offices of GEF Partner Agencies, or both. Since 2009, the GEF IEO has adopted the ratings from the evaluation offices of the World Bank, UNDP, and UNEP, when available, as past reviews have shown them to be largely consistent with those provided by the GEF IEO. In other instances, ratings provided by the GEF IEO are reported.
6. This year's management action record tracks the level of adoption of 30 separate decisions of the GEF Council: 21 that were part of MAR 2012, and 9 new decisions introduced during the November 2013 GEF Council meeting. In addition to the decisions that pertain to the GEF Council, since APR 2012 the Evaluation Office has tracked adoption of the Least Developed Countries Fund and Special Climate Change Fund (LDCF/SCCF) Council decisions. One decision from the LDCF/SCCF Council's November 2011 meeting is tracked in MAR 2013. The Management Actions Records are published separately on the Evaluation Office website: www.gefio.org.

7. The performance matrix, presented in Chapter 10, provides a summary of the performance of GEF Partner Agencies and the GEF as a whole on key indicators. Of the 10 indicators presented in the matrix, based on the additional information on the APR 2013 cohort, values on 6 of the indicators have been updated.
8. The draft report of the APR 2013 was shared with the GEF stakeholders to get their feedback on data, analysis and conclusions presented in this report. Their feedback is reflected in this report.

1.2 Findings and conclusions

Conclusion 1: *Seventy-nine percent of projects and 71% of funding in projects in the APR 2013 cohort have outcome ratings in the satisfactory range.*

9. To date, 646 completed GEF projects have been rated on overall outcome achievement, based on the extent to which project objectives were achieved, the relevance of project results to GEF strategies and goals and country priorities, and the efficiency with which project outcomes were achieved (see Table 1 below). Key findings of this assessment are:
 - Outcome ratings on GEF projects are relatively stable when assessed by GEF replenishment phase (GEF-1 onwards) and by the two most recent 4-year APR cohorts, with a little over 80% of projects rated in the satisfactory range.
 - Between the two most recent 4-year APR cohorts, a substantial rise in outcome ratings is seen among UNDP-implemented GEF projects, as is a substantial drop in the ratings of World Bank-implemented GEF projects. In both cases, differences in the share of projects rated MS or higher between 4-year APR cohorts is statistically significant at a 95% confidence level. As discussed in Chapter 3, the decline in ratings among World Bank implemented projects may be due in part to a change in IEG's approach to the application of its rating criteria for terminal evaluation reviews. The reasons for the increase in outcome ratings on UNDP projects are not well understood.
 - Areas that continue to under-perform relative to the larger GEF portfolio are projects in African states, Small Island Developing States (SIDS), Least-Developed Countries (LDCs), and fragile states.

Table 1. Outcome ratings by number of projects and funding

Outcome Rating/Criteria	APR 2005-2008 cohorts	APR 2009-2012 cohorts	APR 2013 cohort	All cohorts
Percentage of projects with Outcomes rated MS or higher	80%	86%	79%	83%
Percentage of GEF funding in projects with Outcomes rated MS or higher	79%	82%	71%	79%
Number of rated projects	205	281	160	646

Note – numbers may not sum to 100% due to rounding.

Conclusion 2: *Fifty-eight percent of projects in the APR 2013 cohort have Sustainability of Outcomes ratings of moderately likely or above – similar to the long-term average. Financial and institutional risks continue to be among the most frequently cited threats to sustainability of project outcomes.*

10. To date, 625 completed GEF projects have been rated on sustainability of outcomes, based on the perceived threats to sustainability of project outcomes. Key findings of this assessment are:

- Sustainability ratings on GEF projects have remained relatively stable over time, with around 60% of projects and funding in projects having sustainability ratings of moderately likely or higher for projects in the past 8 APR year cohorts.
- Sustainability ratings for both biodiversity and multi-focal projects are on average lower than for other focal areas. For biodiversity projects, the finding suggests that sustainability is harder to achieve in this focal area given the persistent threats to biodiversity and the limited funding for biodiversity conservation worldwide. For multi-focal projects, findings are based on a small number of completed projects to date (49).
- For projects with low sustainability ratings (\leq moderately unlikely), financial risks are the most frequently cited threat to project sustainability, with around 65% of project evaluations with low sustainability ratings in the two most recent 4-year APR cohorts citing this risk factor as one reason for the project's low sustainability rating. This is followed by institutional and socio-political threats to sustainability.

Conclusion 3: *Performance in terms of Quality of Implementation and Quality of Execution ratings has remained fairly stable over the long term. Nonetheless, changes in implementation ratings over time are seen among GEF Partner Agencies.*

11. To date, 489 completed GEF projects have been rated on Quality of Implementation and 484 projects have been rated on Quality of Execution. Key finding of this assessment are:

- Seventy-eight percent of projects in the APR 2013 cohort have Quality of Implementation ratings in the satisfactory range – just below the long-term average of 81%. Quality of Execution ratings are relatively stable over the long term, with 84% of rated GEF projects overall having ratings in the satisfactory range.
- The percentage of projects with Quality of Implementation ratings in the satisfactory range has gone up for UNDP and UNEP for the two most recent 3-year APR year cohorts.¹ Quality of Implementation ratings on World Bank implemented projects has declined substantially between the two most recent 3-year APR year cohorts, and this difference is statistically significant at a 95 percent confidence level. The reasons for these changes are at present not well understood.

Conclusion 4: *Over the past eight APR Year cohorts, there has been a substantial increase in the ratio of promised and realized (actual) co-financing to GEF grant in GEF projects.*

12. OPS-5 reported a general consensus among key stakeholders in the GEF partnership on the utility of co-financing, which is seen as helping to bring additional resources to GEF projects, increase country ownership, and increase the likelihood support for follow-up activities following project closure.²

¹ Three-year APR cohorts are used due to the unavailability of Implementation ratings for APR cohort years 2007 and earlier.

² GEF IEO, 2014. OPS5, pg. 30.

Tracking the materialization of co-financing is important as it provides information on the extent to which partner organizations meet their commitments. Non-materialization of co-financing may hamper implementation of project activities and in some situations compromise achievement of project results. Recent figures and trends in co-financing are as follows:

- The total amount of promised co-financing per dollar of GEF grant has risen between the two most recent 4-year APR cohorts, from 2.2 dollars to 4 dollars of promised co-financing. At the same time, the amount of realized co-financing to dollar of GEF grant has increased from 2.4 to 5 dollars. These figures are in-line with trends reported in OPS-5.
- The median amount of promised co-financing to dollar of GEF grant – what is found in a typical GEF project – has risen from 1.3 to 1.6 dollars between the two most recent 4-year APR cohorts. Likewise, the median amount of realized co-financing to dollar of GEF grant has increased from 1.3 to 1.7 dollars.
- To date, about 70% of completed GEF projects realized 90% or more of promised co-financing, and about 60% of completed GEF project realized 100% or more of promised co-financing. Over the past 8 years, the percentage of projects realizing 90% or more of promised co-financing has increased from 68% of projects in the APR 2006-2009 year cohort, to 74% of projects in the APR 2010-2013 year cohort.

Conclusion 5: *Additional information available since OPS-5 confirms the OPS-5 findings on project preparation related project cycle stages. While there has been some improvement in the PIF submission to Council Approval stage, the GEF-5 performance for the Council Approval to CEO Endorsement stage is lower than that of GEF-4, and the 18-month standard for this stage is not being met in the majority of instances.*

13. Since the OPS-5 analysis on the GEF project cycle, six months of additional data is now available. Incorporation of additional data mitigates some of the concerns related to cyclical patterns and also significantly increases the number of observations. The GEF IEO, therefore, used this opportunity to prepare a follow up to the analysis presented in OPS-5. The follow up aims at ascertaining the extent to which findings on the GEF project cycle presented in OPS-5 still hold.
14. The updated analysis confirms the findings and conclusions of OPS-5 on project preparation related project cycle stages (Table 2). The analysis shows:
 - Compared to GEF-4, during GEF-5 less time is spent from the first submission of a PIF to its approval by the Council. The median project proposal (50th percentile) took 6.2 months in GEF-5 compared 7.6 months for GEF-4.
 - The updated analysis also confirms that the business standard of 18 months or less from Council Approval to CEO Endorsement is met for less than half of the projects. Performance for GEF-5 projects has been lower than for the GEF-4 projects.
 - From the time of first PIF submission, only 30% of GEF-5 FSP proposals were CEO Endorsed within two years, which is a slight improvement over GEF-4. However, when eventual status in terms of CEO Endorsement or drop/rejection of project is taken into account, performance for GEF-5 proposals lags behind that for GEF-4.

- Secretariat's response time shows improvement for the CEO Endorsement related submissions but is somewhat slower for PIF submissions (table 2).

Table 2. Time taken during different stages of the project appraisal process.

GEF Replenishment Period	GEF-5 (figures reported in OPS-5 are provided in parentheses)			GEF-4		
Percentile of project proposal	25%	50%	75%	25%	50%	75%
PIF Submission to CEO Endorsement (in months)	23 (22)	—	—	22	28	43
PIF submission to Council Approval (in months)	2.9 (2.8)	6.2 (6.3)	13 (17)	4.3	7.6	13
PIF submission to Clearance (in months)	1.2 (1.0)	4.0 (4.2)	9.5 (14.7)	1	3.9	12.6
Clearance to Council Approval (in months)	1.6 (1.6)	1.7 (1.7)	1.9 (1.9)	1.9	2.2	3.4
Response time to PIF Submission (in work days)	3 (3)	8 (8)	13 (13)	2	6	12
Council Approval to CEO Endorsement (in months)	17.5 (14.7)	20.0 (19.7)	—	12.1	18.1	23.9
Council Approval to First Submission to Endorsement(in months)	16.1 (12.1)	18.2 (18.0)	—	9.5	13.7	20.3
Back-and-forth for CEO Endorsement – i.e. first submission for CEO Endorsement to CEO Endorsement (in months)	1.9 (1.9)	3.1 (3.1)	5.2 (5.2)	1.7	2.8	4.8
Response time to CEO Endorsement Submission (in work days)	6 (6)	10 (10)	15 (15)	7	11	22

Conclusion 6: *Requests from the Secretariat for increased co-financing during the project appraisal process leads to an increase in co-financing, but may also be causing some delays in the project cycle.*

- During the third meeting of the GEF-6 replenishment in Paris, several participants requested that the GEF IEO examine the effects of an increased focus on co-financing on project preparation time. The IEO prepared an analysis to address this request. It assesses the effect that requests by the GEF Secretariat for additional co-financing – made during the PIF review process – have on the level of promised co-financing, and whether such requests also affect the time spent by project proposals in gaining PIF Clearance and Council approval.. The analysis shows that efforts to increase the co-financing of GEF projects may also involve tradeoffs in terms of project preparation time:
- During the Project Information Form (PIF) review process, and for the GEF-5 project proposals covered in the analysis, the Secretariat requested additional co-financing in 54% of the project proposals. In instances where the Secretariat requested more co-financing in its feedback on a PIF submission, in subsequent PIF submission/submissions promised co-financing on average increased by 12%. Of the proposals where the Secretariat requested an increase in co-financing, 73% showed an increase in co-financing. In comparison, co-financing increased in only 20% of the project proposals where the Secretariat had not requested an increase in co-financing, and after taking into account the instances where it declined, there was no net change in co-financing for these projects.
 - Proposals for which the Secretariat requested an increase in co-financing on average took on average 38 more days to get PIF Clearance (and 43 more days to get Council Approval). The net difference does not control for other factors that may be affecting the time taken from the first

PIF submission to PIF Clearance (and to Council Approval). Once other factors are controlled for the estimates derived using linear models show that Secretariat's requests for more co-financing leads to a PIF spending 20 to 40 additional days in the project cycle. When projects where promised cofinancing actually increased from the first submission of PIF to PIF Approval are tracked, the multi linear regression models show that the estimated effect in terms of additional time for PIF clearance is about 60 to 80 days.

- Among focal areas, project proposals for the Chemicals focal area appear to have undergone greater scrutiny regarding the level of co-financing.

17. In addition to the effects captured in the analysis presented above, it is also likely that in response to the Secretariat's focus on increasing co-financing, project proponents and Partner Agencies may be spending a additional effort on raising co-financing before the first submission of the PIF. Given that the analysis prepared by the IEO does not capture this period, it may be underreporting the effect that co-financing has on the GEF project cycle.

Table 3: The effect of Secretariat's requests for additional co-financing on the time taken from the first submission of PIF to Council Approval (figures for PIF Clearance in parenthesis)

Request for increase in co-financing	Number of projects	Average number of days taken	Average number of PIF submissions made
No comments to raise co-financing	143	151 (94)	2.1
With comment(s) to raise co-financing*	166	194 (132)	2.7
Net difference	—	43 (38)	0.6

* With any comment requesting an increase in co-financing on any PIF submission.

Conclusion 7: *Around two-thirds of completed GEF projects have satisfactory ratings on M&E design and/or M&E implementation. Ratings on M&E implementation for World Bank GEF projects have fallen considerably between the two most recent four-year APR year cohorts.*

18. Despite the consensus among GEF partners on the importance of high-quality M&E systems, translating these aspirations into practice remains a challenge. Findings from an assessment of the 575 completed projects with M&E design ratings and 537 projects with M&E implementation ratings include:

- Around 65% of competed projects have satisfactory ratings on M&E design and an equal percentage with satisfactory ratings on M&E implementation. These figures are relatively stable from GEF-2 onwards.
- When assessed by GEF Partners agency, M&E implementation ratings have moved up considerably for UNDP between the two most recent 4-year APR cohorts, from 59% to 72% of projects with ratings in the satisfactory range. The difference in ratings for UNDP projects is statistically significant at a 90% confidence level. Between the same two 4-year APR cohorts, M&E implementation ratings for World Bank GEF projects has declined substantially, from 77%

to 50% of projects, and the difference is statistically significant at a 95% confidence level. The reasons for this decline are not well understood.

- A desk review of completed GEF projects with highly satisfactory M&E ratings reveals some common attributes. Projects with highly satisfactory M&E design all had detailed M&E plans with clearly defined responsibilities for monitoring and dedicated M&E budget, and made M&E systems integral to the project's overall design. These projects also made provision for the active participation of stakeholders in M&E implementation. Projects with highly satisfactory M&E implementation ratings made provisions for the training of stakeholders on the project's M&E systems, and found ways to share M&E findings with a broad array of project stakeholders.

Conclusion 8: *Since 2005, ratings on the quality of project terminal evaluations have been stable, with a little over 80% of project evaluations rated in the satisfactory range.*

19. Terminal evaluation reports provide one of the principle ways by which the GEF IEO, GEF Secretariat, Agencies, and other stakeholders, are able to assess the performance of GEF projects. This assessment facilitates continued learning and adaptation throughout the GEF partnership. The integrity and quality of terminal evaluations is therefore essential to the validity of any findings that may arise from analysis of terminal evaluations. The GEF IEO has been reporting on the quality of terminal evaluations since APR 2004.

- Quality of 79 percent of the terminal evaluations of the projects included in the APR2013 cohort was rated in the satisfactory range.
- Analysis based on year when the terminal evaluations were prepared does not show any emerging trend.
- Two aspects of terminal evaluation reporting that have on average received substantially lower ratings are reporting on project financing and reporting on M&E systems. When considering all rated terminal evaluations completed within the last 8 years, the percentage of TEs with satisfactory ratings on financial reporting and M&E systems is 67% and 63%, respectively, compared to 84% for reporting along other dimensions. The difference in ratings for both reporting dimensions is statistically significant at a 95% confidence level.

Performance Matrix

20. The Performance matrix provides a summary of the performance of GEF Partner Agencies and the GEF as a whole on key indicators. These indicators include outcome ratings; duration of project extension; and realization of co-financing.

21. Regarding project extensions, between the 2 most recent 4-year APR cohorts there has been a substantial decline in the percentage of projects requiring extensions of more than 2 years. For the GEF as a whole, the percentage declined from 38% to 11%; for UNDP the percentage declined from 65% to 9%; for UNEP the percentage declined from 24% to 16%, and for the World Bank the percentage declined from 20% to 7%. This shows that GEF Agencies are becoming timelier in completion of project activities.

22. Regarding realization of co-financing, between the two most recent four-year APR cohorts, the percentage of realized co-financing has increased substantially for both UNDP and World Bank projects. The amount of realized co-financing per dollar of GEF grant for all UNDP-implemented projects rose from 2.8 to 5.7 between the two most recent 4-year APR cohorts, and from 2.5 to 6.6 for all World Bank-implemented projects. For UNEP, the rise in realized co-financing to GEF grant was smaller, from 1.6 to 1.7. Similarly, between the 2 most recent 4-year APR cohorts, there has been a rise in the percentage of promised co-financing realized among the same Partner Agencies. For UNDP, the percentage increased from 130% to 190%; for UNEP, the percentage increased from 113% to 118%; and for the World Bank, the percentage increased from 91% to 101%.

Management Action Record findings

23. Of the 30 GEF Council decisions tracked in MAR 2013, the GEF IEO was able to verify Management's actions on 27. Five decisions tracked in MAR 2013 will be graduated from the MAR due to high levels of adoption as rated by Management and verified by the GEF IEO. In addition, five decisions tracked in MAR 2013 will be retired from MAR for various reasons including ongoing concerns that prevent full adoption of the Council decision (Agency fees), or the recommendations are found in other more recent tracked evaluations (OPS5), or these decisions are being addressed through larger efforts (refining the GEF RBM system for GEF-6).
24. Overall, Management has been very responsive to Council decisions, as evidenced by the large number of decisions that have been graduated due to substantial or high levels of adoption throughout the partnership. Of the 120 Council decisions tracked since commencement of the MAR in 2006, 71 (59%) have graduated due to high or substantial levels of adoption, while an additional 25 (21%) have been retired – typically because these Council decisions are no longer relevant.
25. Among the recent evaluations, there has been significant progress in adoption of decisions based on Mid Term Evaluation of the STAR and the Mid-Term Evaluation of the National Portfolio Formulation Exercise. “Mid-Term Evaluation of the System for Transparent Allocation of Resources (STAR)” led to three Council decisions. These decisions called for increasing the flexibility for countries in the use of STAR resources across focal areas; specification of better indicators and updating of data; and fine tuning of the STAR implementation processes. The proposal on STAR for GEF-6 that is being developed by the Secretariat extends the full flexibility to additional countries and increases the level of flexibility for countries with marginal flexibility. The Secretariat has also updated the data for several indicators that constitute the GBI and GPI indices. It is also proposing minor modifications in the indices so that they may be improved further. The Secretariat has also undertaken several measures to fine tune the STAR implementation process. These include putting in place a system for STAR allocations by two different staff members and reconciliation of the independently derived results, and fixing the problems in calculations noted in the mid-term evaluation. It is likely that at the end of the process for preparation of STAR proposals adoption of all the Council decisions based on the evaluation would be high.
26. The “Mid-Term Evaluation of the National Portfolio Evaluation Exercise (NPFE)” (GEF/ME/C.45/06) led to four Council decisions. These decisions called for: continuation of NPFE support in GEF-6; use

of the balance of the funds allocated to NPFE program for helping countries take NPFEs for GEF-6; inclusion of capacity development initiatives in final replenishment proposals for a comprehensive understanding of GEF among partners and stakeholders at the country level; and updating of NPFE guidelines to address information needs of the countries. Overall progress on adoption on these four decisions has been high with the exception of updating the NPFE guidance, where GEF IEO finds that the changes made to NPFE guidance documents do not adequately meet the information needs of the countries for programming on topics such as eligibility criteria, co-financing expectations, and funding modalities.

27. Management and the GEF IEO are in agreement on the level of adoption for 18 of the 30 decisions tracked in MAR 2013. For 2 decisions, the GEF IEO rating is higher than Management's. For another 3 decisions, the GEF IEO is unable to verify ratings because proposals need additional time to be developed. Excluding the 3 decisions where the IEO is unable to verify ratings, the level of agreement between Management and the IEO is 67% - in-line with that found in MARs from the past three years.

1.3 Issues for the Future

Consistency in ratings by the GEF IEO and the Agency evaluation offices

28. In recent years a rapid drop in the outcome ratings of GEF-World Bank projects has been noticed. On the other hand, for UNDP there has been some increase in the outcome ratings. At the overall portfolio level the ratings have remained more or less the same.
29. Since 2009, for the GEF-World Bank projects for which the terminal evaluations have been reviewed by the WB IEG, the GEF IEO has been adopting the WB IEG ratings. It should be noted the IEG does not review terminal evaluations for medium size projects and some of the full size projects that involve funds that are below the IEG threshold for review. The sudden drop in outcome ratings for the World Bank implemented projects is puzzling and is also a cause for concern. The WB IEG review examining the World Bank Group's partnership with the GEF (2014) explores some plausible explanations for a decline in the quality of its GEF portfolio. The IEG review indicates the performance of the GEF projects implemented by the World Bank may have declined due to a variety of reasons including low project fees, inconsistent information systems across the partnership, and changes in the role of the GEF Partner Agencies and the Secretariat with respect to the preparation of GEF policy and strategy documents. Of these reasons reduction in project fees may be more directly related with the project performance. However, even in this case the effects of this reduction are likely to show after considerable time lag and are not as immediate as the pattern would suggest. Furthermore, during the same period when IEG terminal evaluation review ratings on project outcomes show a drop, the ratings contained in the reviewed terminal evaluations themselves have remained stable. In its communications with the GEF IEO, IEG has also acknowledged that IEG has become more stringent in application of its outcome rating criteria. While this could have by itself explained the drop, other categories of environmental projects in the World Bank portfolio have not shown a similar pattern. The IEO will make efforts to better

understand the reasons behind the evident pattern and when required will also take steps to ensure greater consistency in reporting of outcome ratings.

Increasing coverage of earlier GEF phases

30. When the GEF IEO presented its first APR (APR 2004) in 2005, it restricted its reporting to only those projects that were completed in 2002 or later. By adopting 2002 as a threshold, the Office was able to give a realistic cut-off to the Agencies so that they could comply with the terminal evaluation preparation requirement. At that point, terminal evaluation had not been prepared for many of the completed projects and there was resistance to reporting on tracking compliance for projects that had been completed before start of GEF-3. The 2002 threshold is still observed in the APR for reporting on results of completed projects.
31. A drawback of restricting reporting on projects completed in 2002 or later has been that projects that were approved in the Pilot phase and GEF-1 are under-represented in the reporting on completed projects. Fortunately, in past 10 years terminal evaluations for many projects that were completed before 2002 have now become available. The Office estimates that by including the already available terminal evaluation reports for projects completed before 2002 it will be able to increase its coverage of completed projects for the Pilot phase from 11 percent to 77 and for the GEF-1 period from 44 to 68 percent of the approved projects for that period. During the next fiscal year the Office intends to undertake terminal evaluation reviews for the projects completed before 2002.

Finalization of Terminal Evaluation Guidelines

32. The work on development of terminal evaluation guidelines continued during the reporting period. The guidelines are being developed in consultations with the GEF Agencies and the Secretariat. Several rounds of consultations have already taken place. Compared to the existing guidelines, the revised terminal evaluation guidelines cover impact reporting related issues in a substantial manner. The guidance is expected to be finalized in the next reporting period.

Reporting on Programs

33. The overall objective of GEF's programmatic approach is "to secure larger-scale and sustained impact on the global environment through integrating global environmental objectives into national or regional strategies and plans using partnerships" (GEF/C.33/6). The programmatic approach supplements GEF's project-based approach and it involves a series of interlinked projects. Although GEF has supported various activities that have programmatic characteristics, support for programmatic approaches got a big push in 2008 when the GEF Council endorsed the approach outlined in the Council paper (GEF/C.33/6) on programmatic approach³. While most of the programs that have been approved so far are still under implementation or preparation, some of the programs are expected to be completed soon. The Office will keep track of these programs and will report on them as terminal evaluations for these programs become available.

Streamlining of the MAR process

³ Joint Summary of Chairs, GEF Council Meeting, April 2008.

34. The GEF IEO has been facilitating preparation of MAR since the Council's decision in November 2005. The IEO developed the format and procedures for MAR through a consultative process with the Secretariat and the Agencies. Starting from APR 2005, the reporting on MAR is now 9 years old. Although there have been minor modifications in the formats and the rating scale, overall the approach has remained the same. There is also considerable duplication of effort where the progress on a Council decision is difficult to track regularly. This is especially the case where the Council decisions indicate a general direction for efforts without specifying concrete actions that may be tracked regularly. Further, there is also a need to phase out decisions from the MAR so that the relevant and important ones continue to get management's attention. The Office will undertake a consultative exercise to identify ways in which the MAR process may be streamlined further in ways that increase its utility to GEF stakeholders.

2. Scope and Methodology

2.1 Scope

35. The Annual Performance Report (APR) of the GEF Evaluation Office provides a detailed overview of the performance of GEF projects and funding, as well as analysis of some of the key factors affecting performance.

APR 2013 includes the following:

- **An overview of the extent to which GEF projects and funding are achieving desired outcomes (Chapter 3).** The assessment provided covers 646 completed projects within the APR 2005-2013 cohorts for which ratings on overall project outcomes are available. Also presented here are ratings on the sustainability of project outcomes, and an assessment of the risks to project sustainability.
- **Analysis of factors affecting project outcomes (Chapter 4).** Factors covered include Quality of Project Implementation and Execution, and trends in the co-financing of GEF projects.
- **Time lags in project preparation (Chapter 5).** The chapter presents the update of project cycle analysis of OPS-5 for the Council Approval and CEO Endorsement stages. The main aim is to assess the extent the findings of OPS-5 on this topic still hold.
- **Effect of co-financing on project cycle (Chapter 6).** The chapter presents an assessment of the effects of GEF focus on increasing co-financing on project cycle.
- **Quality of M&E Design and Implementation (Chapter 7).** Ratings on quality of M&E Design and M&E Implementation are presented. Ratings are available from APR year 2006 onwards.
- **Quality of Terminal Evaluation Reports (Chapter 8).** The chapter presents an assessment of the quality of terminal evaluation reports submitted by the GEF agencies to the GEF IEO. Trends in the overall quality of reporting, as well as trends in reporting along individual performance dimensions are presented, based on the year in which terminal evaluation reports were completed.
- **Presentation of the Management Action Record (Chapter 9).** The Management Action Record, which assesses the degree to which relevant GEF Council decisions based on GEF EO recommendations have been adopted by GEF management, is presented in this chapter. In addition, since APR 2012, the Independent Evaluation Office has tracked decisions of the LDCF/SCCF Council. Thirty separate GEF Council decisions are tracked in MAR 2013: 21 that were part of MAR 2012, and 9 decisions that appear for the first time in MAR 2013. A single decision from the LDCF/SCCF Council is tracked.
- **Presentation of the Performance Matrix (Chapter 10).** The Performance Matrix, which has been reported on since APR 2007, provides a summary of GEF Agency performance on key indicators.

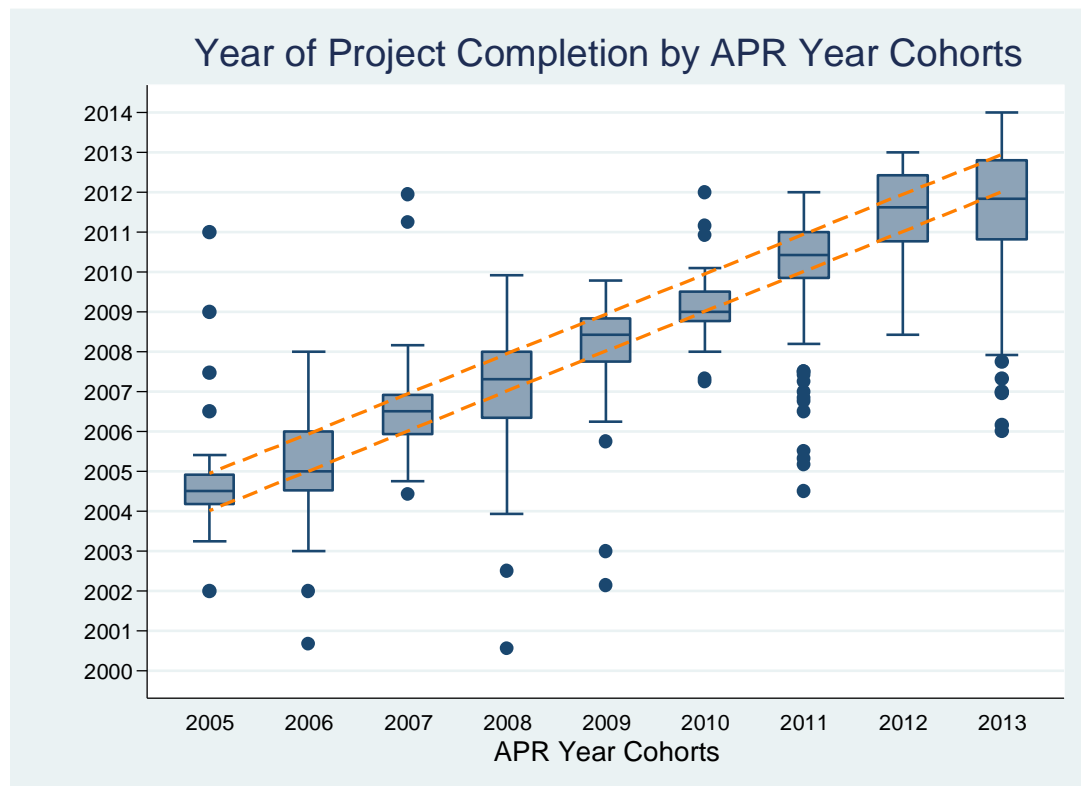
Ten indicators are tracked in the matrix included in APR 2013. Based on the additional information on the APR 2013 cohort, values on 6 of the indicators have been updated.

2.2 Note on the formation and use of APR year cohorts in APR reporting and analysis

36. Throughout this report are many instances where project ratings have been aggregated and assessed on the basis of what are termed “APR year cohorts.” An APR year cohort is the set of completed projects that have been reported on for the first time in a given APR year. These are completed projects for which: (1) terminal evaluations have been prepared and submitted to the GEF IEO, (2) the terminal evaluations have subsequently undergone an independent review (see section 2.4 below), and (3) both the terminal evaluation and terminal evaluation review have taken place in time for reporting in the APR.
37. On average, later APR year cohorts tend to include projects that were completed more recently, however the APR year should not be confused with the year of project completion. Within adjacent APR year cohorts and even non-adjacent cohorts are many projects that were completed during the same year. Figure 1 below shows the distribution of projects by year of project completion among each of the 9 APR year cohorts to date. As can be seen, APR year cohorts vary with respect to the range of project completion years covered therein, and a large degree of overlap of project completion years is present among APR year cohorts. Because of the tendency for later APR year cohorts to include more recently completed projects, APR year based cohorts provides a reasonable proxy for project completion year.
38. One of the aims of terminal evaluation reviews is to facilitate tracking of trends in performance. However, to be able to detect these trends the point in or period of time taken as a basis for analysis should be directly linked to period when the performance actually takes place. In the case of GEF projects, the actions or events that affect outcome and sustainability ratings occur from the point a project is conceived till the point its implementation is complete. Both year of project completion and year of terminal evaluation submission occur after the action or events that affect performance, therefore, there is always a chance that they may get affected (i.e. advanced or delayed) by project performance. As a result, both year of project completion and year of terminal evaluation submission are at best proxies for the period when actual actions or events that affect performance of a project take place.
39. Between year of project completion and year of terminal evaluation submission, the former is technically a better proxy as it is closer to the period when the actions or events that affect performance take place. In comparison differences across projects in terms of time lag involved from project completion to submission of terminal evaluation introduce a noise in an analysis based on submission dates. However, despite the technical advantage that year of completion provides, given the variations in the time lag involved in submission of terminal evaluations the data for more recent years is generally incomplete. The GEF IEO has used year of terminal evaluation submission as a basis for reporting because of the simplicity of the approach and to ensure that the data for any given cohort are comparable across APRs. Nonetheless, the GEF IEO will continue using completion years as a basis where it is directly and more immediately linked with actual performance during the

period – for example, for quality of terminal evaluation reports year of terminal evaluation completion is used as a basis for reporting.

Figure 1. Distribution of projects by year of project completion among each of the 9 APR year cohorts to date.⁴ To provide an indication of the span in project completion years contained in each APR cohort, the orange dotted line shows a 1-year spread containing all projects that were completed in the year prior to the APR year.



2.3 APR 2013 cohort

40. One hundred and sixty projects, totaling \$630.8 million in GEF funding, are covered for the first time in APR 2013. These are projects for which TEs have been submitted to the GEF IEO from the period October 1, 2012 to December 31st, 2013, and the respective TEs have undergone a subsequent independent review, either by the GEF IEO or the independent evaluation offices of UNDP, UNEP, or the World Bank IEG. A complete listing of these 160 projects which comprise the APR 2013 cohort is found in Annex A. To assess any trends in performance, the performance of cohorts reported on in prior APR years is included as well.

⁴ Each box plot in figure 1 shows the distribution of project completion years within a single APR year cohort. The central box spans the first and third quartiles, the median value is indicated by a line in the box, and lines extend out from the box to the smallest and largest observations. Outliers with values more than 1.5x the interquartile range are shown as dots.

41. Table 4 presents an overview of the APR 2013 and APR 2005-2012 cohorts, in terms of focal area and regional composition⁵, GEF agency representation, and GEF phase. Together, these 9 APR year cohorts comprise all of the 651 completed projects currently covered in APRs.

Table 4. Composition of the APR 2005-2012 and APR 2013 cohort, and all cohorts to date.

Criteria		APR 2005-12			APR 2013			All Cohorts			
		Projects (#)	Funding (\$M)	Funding (%)	Projects (#)	Funding (\$M)	Funding (%)	Projects (#)	Projects (%)	Funding (\$M)	Funding (%)
Total number of projects and funding		491	2,078.5	-	160	630.8	-	651	-	2,709.3	-
Number of projects with outcome ratings		486	2,073.1	-	160	630.8	-	646	-	2,703.8	-
Focal area composition[†]	Biodiversity	242	942.9	45%	56	181.4	29%	298	46%	1,124.3	42%
	Chemicals ^{††}	17	113.8	5%	8	22.5	4%	25	4%	136.3	5%
	Climate Change	116	528.6	25%	45	196.3	31%	161	25%	724.9	27%
	International Waters	58	387.5	19%	17	114.3	18%	75	12%	501.8	19%
	Land Degradation	21	27.4	1%	13	38.1	6%	34	5%	65.5	2%
	Multi Focal	32	72.9	4%	21	78.1	12%	53	8%	151.0	6%
Regional composition[†]	Africa	102	395.4	19%	38	211.8	34%	140	22%	607.2	22%
	Asia	113	473.4	23%	41	195.6	31%	154	24%	669.0	25%
	Europe & Central Asia	108	425.0	21%	37	91.3	14%	145	22%	516.3	19%
	Latin America and Caribbean	114	565.4	27%	25	74.9	12%	139	22%	640.3	24%
	Global	49	213.8	10%	19	57.2	9%	68	11%	271.0	10%
Lead GEF agency[†]	UNDP	228	750.1	36%	73	163.9	26%	301	47%	914.0	34%
	UNEP	68	198.4	10%	24	71.2	11%	92	14%	269.7	10%
	World Bank Group	165	963.8	46%	47	308.9	49%	212	33%	1,272.8	47%
	Other GEF Agency	8	27.3	1%	13	31.8	5%	21	3%	59.2	2%
	Joint Implementation	17	133.4	6%	3	54.8	9%	20	3%	188.2	7%
GEF Phase[†]	Pilot Phase	12	99.2	5%	0	0	-	12	2%	99.2	4%
	GEF – 1	67	555.8	27%	0	0	-	67	10%	555.8	21%
	GEF – 2	202	899.9	43%	21	166.9	26%	223	35%	1,066.8	39%
	GEF – 3	176	477.6	23%	87	388.8	62%	263	41%	866.4	32%
	GEF – 4	29	40.5	2%	50	73.4	12%	79	12%	113.9	4%
	GEF – 5	0	0	-	2	1.7	<1%	2	<1%	1.7	<1%

[†] Describes only the 646 projects with outcome ratings, as these are the projects on which performance is primarily compared in the analysis contained herein.

^{††} Projects shown in the Chemicals focal area are those involving activities under the POPs focal area in support of the implementation of the Stockholm Conventions, and activities in the ozone layer depletion focal area to support implementation of the Montreal Protocol in eligible Countries with Economies in Transition. Prior to GEF-4, these projects were not grouped together in single GEF focal area.

2.4 Note on the coverage of GEF replenishment phases in APRs

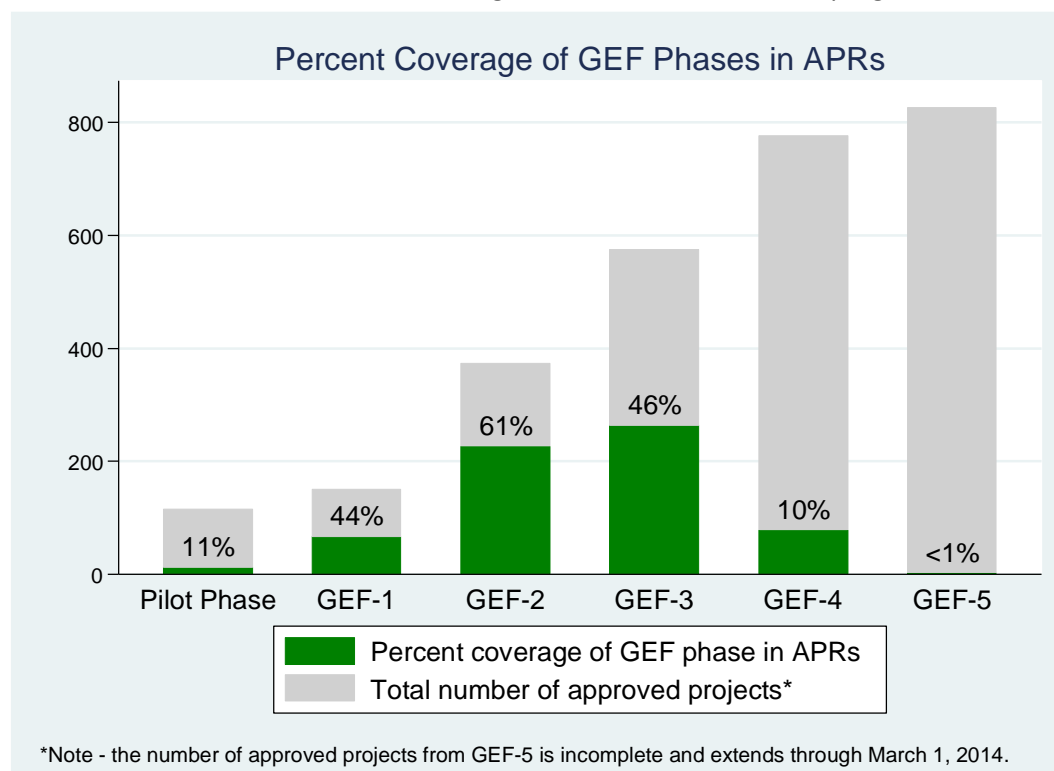
42. The number of completed projects that are covered in APRs continues to grow with each subsequent APR. The expanded pool of projects – 651 to date – facilitates enhanced reporting of any trends in performance, including by GEF replenishment phase. At the same time, there are currently large gaps in coverage of most GEF phases. This limited coverage, particularly of the Pilot and GEF-4 phases, cautions against drawing any early conclusions based on performance data from these phase cohorts.

43. Figure 2 shows the percent coverage of GEF replenishment phases to date in APR 2013. The top of each grey bar indicates the total number of project meeting the threshold for APR review (see section 2.5 below). As shown, both the Pilot phase and GEF-4 currently have very limited coverage in

⁵ For a description of GEF Regions used in this report, see Annex C.

APR 2013, at 11% and 10% respectively. Coverage of GEF-2 is highest, at 61%, with GEF-1 and GEF-3 coverage around 45%. To date, only 2 projects from the GEF-5 phase are covered in APR 2013.

Figure 2. Percentage of approved projects covered in GEF Annual Performance Reports to date, inclusive of the APR 2013 cohort. Excludes Enabling Activities <\$0.5M and SGP programme.



2.5 Methodology

44. Reporting on project outcomes and sustainability, factors affecting outcomes, quality of M&E, and quality of terminal evaluations – chapters 3, 4, 7, and 8 – are based on analysis of the ratings and information provided in terminal evaluations that have been first reviewed by the GEF IEO and/or the evaluation offices of GEF Partner Agencies. GEF activities under the Small Grants Programme (SGP), as well as Enabling Activities⁶ with GEF funding below \$0.5 million, are not required to submit terminal evaluations, and are not covered in this report. Among the 651 projects contained in the APR 2005-2013 cohort are two Enabling Activities that have met the threshold for review. For analysis, these have been grouped with Full-Sized projects based on the size of associated GEF funding.
45. All of the terminal evaluations used for analysis and reporting in APRs are first reviewed to verify that ratings are properly substantiated, and where needed, to provide revised or additional ratings (such as for Quality of Terminal Evaluations). For earlier APR years, this oversight was performed

⁶ GEF classifies projects based on the size of associated GEF grant; whether GEF funding supports country activities related to the conventions on biodiversity, climate change, and persistent organic pollutants; and implementation approach. These categories are Full-Sized Projects, Medium-Sized Projects, Enabling Activities, and Programmatic Approaches. For a complete description see: www.thegef.org/gef/project_types.

entirely by the GEF IEO. Beginning in 2009, the GEF IEO began accepting ratings from the independent evaluation offices of the World Bank Group, UNEP, and subsequently UNDP. This approach, which reduces duplicative work, follows the GEF IEO finding that ratings from these three evaluation offices are largely consistent with those provided by the GEF IEO (GEF IEO 2009). The GEF IEO will consider accepting the ratings provided by the evaluation offices of the other GEF agencies when there is a sufficient record of ratings on which to compare consistency and when the ratings from the two offices are found to be consistent.

Ratings approach

46. The principle dimensions of project performance on which ratings are first provided in terminal evaluations, and in subsequent GEF IEO or GEF Partner Agency evaluation office reviews of terminal evaluations, are described here in brief, and in full in Annex B:

- **Project Outcomes** – projects are evaluated on the extent to which project objectives, as stated in the project’s design documents approved by GEF Council and/or GEF CEO⁷, were achieved or are expected to be achieved; the relevance of project results to GEF strategies and goals and country priorities; and the efficiency, including cost-effectiveness, with which project outcomes and impacts were achieved. A six-point rating, from Highly Satisfactory to Highly Unsatisfactory, is assigned.
- **Sustainability of Project Outcomes** – projects are evaluated on the likelihood that project benefits will continue after project implementation. To arrive at an overall sustainability rating, project evaluators are asked to identify and assess key risks to sustainability of project benefits, including financial risks, sociopolitical risks, institutional/governance risks, and environmental risks. A four-point rating, from Likely to be sustained to Unlikely to be sustained, is assigned.
- **Quality of Implementation and Quality of Execution** – From FY 2008 the GEF IEO has been assessing the quality of project implementation and quality of project execution. Quality of Implementation primarily covers the quality of project design, as well as the quality of supervision and assistance provided by implementing agency(s) to executing agencies throughout project implementation. Quality of Execution primarily covers the effectiveness of the executing agency(s) in performing its roles and responsibilities. In both instances the focus is upon factors that are largely within the control of the respective implementing and executing agency(s). A six-point rating, from Highly Satisfactory to Highly Unsatisfactory, is assigned.
- **Quality of Monitoring and Evaluation Systems (M&E)** – M&E facilitates adaptive management during project implementation, and assessment of project outcomes and impacts after project completion. The quality of project M&E systems is evaluated in two ways: (1) an assessment of the project’s M&E design, including whether indicators used are SMART⁸, whether relevant baselines are established, and whether M&E activities are properly budgeted; and (2) the

⁷ All full-sized GEF projects require approval by GEF Council and Endorsement by GEF CEO prior to funding, while medium-sized projects require only GEF CEO’s approval to go forward.

⁸ SMART indicators are Specific, Measurable, Achievable and Atttributable, Relevant and Realistic, and Time-bound, Timely, Trackable and Targeted. See GEF Monitoring and Evaluation Policy 2010 for a complete description.

degree and quality of M&E during implementation. A six-point rating, from highly satisfactory to highly unsatisfactory, is assigned for Quality of M&E Design and Quality of M&E Implementation.

- **Quality of Terminal Evaluation reports** –Terminal evaluations, which are the primary source of information on which project performance is assessed, are assessed for quality, consistency, coverage, quality of lessons and recommendations, and to determine the degree to which project ratings provided in terminal evaluations are properly substantiated. A six-point rating, from Highly Satisfactory to Highly Unsatisfactory is provided to indicate the quality of terminal evaluations.

Procedure for GEF IEO review of terminal evaluations

47. When terminal evaluations are reviewed by the GEF IEO prior to inclusion in the APR, as well as for oversight purposes, the procedure is as follows. Using a set of detailed guidelines to ensure that uniform criteria are applied (see Annex B for these guidelines), Evaluation Office reviewers assess the degree to which project ratings provided in terminal evaluations are properly substantiated, and address the objectives and outcomes set forth in the project design documents approved by the GEF Council and/or GEF CEO. In the process of drafting a terminal evaluation review, a peer reviewer with substantial experience in assessing terminal evaluations provides feedback on the report. This feedback is incorporated into subsequent versions of the report.
48. When a primary reviewer proposes downgrading of project outcome ratings from the satisfactory range to the unsatisfactory range, a senior evaluation officer in the GEF IEO also examines the review to ensure that the proposed rating is justified.
49. In cases where a terminal evaluation report provides insufficient information to make an assessment or to verify the report's ratings on any of the performance dimensions, the GEF IEO rates the project as "Unable to Assess," and excludes it from further analysis on the respective dimension.
50. Reviews are then shared with the GEF Partner Agencies and, after their feedback is taken into consideration, the reviews are finalized.

Source of ratings reported in APR 2013

51. As noted above, prior to FY 2009, the GEF IEO reviewed all terminal evaluations reported on in APRs, and verified ratings provided therein. Beginning FY 2009, the GEF IEO began accepting ratings from the independent evaluation offices of UNEP, the World Bank Group, and subsequently UNDP. Because the procedure used by GEF Partner Agencies for arriving at overall ratings in terminal evaluations is not always identical to that used by the GEF IEO, comparability between ratings from APR 2009 and later cohorts and earlier APR cohorts is of some concern.
52. The GEF IEO has been tracking the consistency between ratings provided by the evaluation offices of GEF Partner Agencies and ratings provided by the GEF IEO. This is accomplished through random sampling and GEF IEO review of a portion of terminal evaluations included in the APR for which ratings have been provided by the evaluation offices of GEF agencies. To date, ratings provided by

Partner Agencies' evaluation offices are largely consistent with those provided by the GEF IEO. A small ($\leq 7\%$) increase in percentage of projects with overall Outcome ratings of MS or higher is found among sampled reviews from Partner Agencies' evaluation offices, compared with those from the GEF IEO (see Chapter 8 for a complete breakdown of sampled reviews). This difference is not statistically significant however. The GEF IEO will continue to track the consistency of ratings going forward.

53. For projects implemented by GEF Partner Agencies other than UNDP, UNEP, and the World Bank Group, the GEF IEO currently provides final project ratings. In addition, where ratings are not provided by the independent evaluation offices of UNDP, UNEP and the World Bank Group, the GEF IEO provides final ratings. Examples of these projects include all projects under joint implementation; medium-sized projects implemented by the World Bank Group, for which the World Bank's Independent Evaluation Group does not provide review; and projects where independent review of terminal evaluations is not received in a timely manner.
54. Table 5 lists the source of terminal evaluation review ratings used for analysis and reporting in APR 2013.

Table 5. Source of terminal evaluation review ratings for APR 2013 cohort. For projects in the APR 2013 cohort, Partner Agency evaluation offices are the source of 79% of ratings and the GEF IEO is the source of 21% of the ratings presented in APR 2013.

Source of ratings	Projects	Total
UNDP Evaluation Office		70
UNEP Evaluation Office*		25
World Bank IEG		31
GEF IEO	6 ADB projects	34
	1 FAO project	
	2 UNDP projects	
	6 UNIDO projects	
	16 WB projects	
	3 joint implementation projects	
Total		160

* Project 3181, "Pollution Reduction through Improved Municipal Wastewater Management in Coastal Cities in ACP Countries with a Focus on SIDS," was implemented by UNDP with UNEP serving as executing agency. UNEP EO is responsible for the TER ratings of this APR 2013 project.

Materialization of Co-financing

55. The reporting in section 4.2 on co-financing and materialization of co-financing is based on information in project design documents, as well as information provided by implementing agencies on completed projects both through terminal evaluation reports and other project reports. Reporting covers APR cohorts from 2005-2013, for which information on the amount of promised co-financing is available for all 651 projects, and information on actual (realized) co-financing is available on 556 projects.

Performance Matrix

56. The Performance Matrix, first presented in APR 2007 (GEF IEO 2008), provides a summary of the performance of three GEF Partner Agencies and the GEF Secretariat on relevant parameters. Performance on five indicators, including project outcomes, materialization of co-financing, project

extensions, M&E Implementation quality, and quality of terminal evaluations, is assessed annually by the GEF IEO. Performance on three other indicators, including quality of supervision and adaptive management, realism of risk assessment, and quality of project M&E arrangements, is assessed every two to four years through special appraisals. Independence of terminal evaluations and review of terminal evaluations is appraised through assessment of the process followed in conducting terminal evaluations and based on interviews with relevant staff and consultants of the partner Agencies.

Management Action Record

57. At the request of the GEF Council, the GEF IEO tracks the level of adoption by the relevant actors within the GEF partnership (here referred to broadly as GEF Management), of GEF Council decisions that have been made on the basis of GEF IEO recommendations. The “Management Action Record” (MAR) is updated annually, and reported in the APR. The procedure for compiling the MAR is as follows: the GEF IEO produces a working document containing all of the relevant GEF Council decisions being tracked for the current MAR. This includes all Council decisions from the prior year MAR that continue to be tracked because they continue to be relevant and the level of adoption is not yet sufficient to warrant graduation. Decisions are graduated from the MAR when a high level of adoption has been achieved, or the decision is no longer relevant and/ or subsequent Council decisions have made it difficult to adopt its earlier decision. For decisions that continue to be tracked, a full record of prior GEF management action and ratings as well as GEF IEO ratings is provided in the working document. In addition, the working document includes all relevant Council decisions that have been adopted at the GEF Council meetings in the preceding calendar year.
58. The GEF Management provides self-assessment and ratings on the level of adoption of each tracked Council decision. After Management completes its self-assessment and ratings on the level of adoption of tracked Council decisions the GEF IEO provides its own assessment and ratings on adoption. The completed MAR is then published and reported in the APR.

Review of Findings

59. This report will be finalized based on the feedback received from stakeholders. The preliminary findings presented in this report were presented to and discussed with the GEF Secretariat and GEF Partner Agencies during an interagency meeting held in Washington, DC, on March 20, 2014. GEF IEO reviews of project terminal evaluation reports have been shared with GEF agencies for comments and their feedback has been incorporated into this final report. The analysis presented herein incorporates feedback received from both GEF Secretariat and GEF Partner Agencies at the interagency meeting.

3. Outcomes and Sustainability of Outcomes

60. This chapter presents verified ratings on Outcomes for GEF projects. To date, 651 completed projects have been assessed, which account for \$2,709.3 million in GEF funding. Of these, the GEF IEO has provided or adopted Outcome ratings on 646 projects, including all 160 projects in the APR 2013 cohort. These 646 rated projects account for \$2,703.8 million in GEF funding. Also presented in this chapter are ratings on the Sustainability of outcomes and an assessment of the perceived risks to project sustainability.

3.1 Ratings Scale

61. As described in chapter 2, project outcomes are rated based on the extent to which project objectives were achieved; the relevance of project results to GEF strategies and goals and country priorities; and the efficiency with which project outcomes were achieved. A six-point rating scale is used to assess overall Outcomes, with the following categories:

- **Highly satisfactory.** The project had no shortcomings.
- **Satisfactory.** The project had minor shortcomings.
- **Moderately satisfactory.** The project had moderate shortcomings.
- **Moderately unsatisfactory.** The project had noticeable shortcomings.
- **Unsatisfactory.** The project had major shortcomings.
- **Highly unsatisfactory.** The project had severe shortcomings.
- **Unable to assess.** Unable to provide an overall outcome rating.

62. For sustainability of project outcomes, and overall assessment on the likelihood of project benefits continuing after project closure is made. A four-point rating scale is used to assess overall likelihood of sustainability, with the following categories:

- **Likely.** There are no risks to the sustainability of project outcomes.
- **Moderately likely.** There are moderate risks to the sustainability of project outcomes.
- **Moderately unlikely.** There are significant risks to the sustainability of project outcomes.

63. **Unlikely.** There are severe risks to the sustainability of project outcomes.

64. It is not uncommon for the results frameworks of projects to be modified during project implementation. This however presents a challenge to project evaluation in that assessing project outcomes based on original outcome expectations may discourage adaptive management. To address this concern, for projects where modifications were made in project objectives, outcomes, and outputs without a down-scaling of the project's overall scope, the Evaluation Offices assess outcome achievements based on the revised results framework. In instances where the scope of

project objectives, outcomes, and outputs were downscaled, the original outcomes and/or objectives of the project are used to measure project performance.

3.2 Outcomes

65. Tables 6 and 7 and Figure 3 present overall outcome ratings by different APR year cohort groupings. APR years 2005-2008 are the set of projects for which performance was reported on in the Fourth Overall Performance Study of the GEF (OPS4). APR years 2009-2012 are the set of projects for which performance was reported on in the Fifth Overall Performance Study of the GEF (OPS5). As noted in APR 2012, between the OPS4 and OPS5 cohorts, there was a slight rise in the percentage of projects with overall outcome ratings in the satisfactory range.⁹ Outcome ratings for the APR 2013 cohort – 79% of projects and 71% of funding in projects in the satisfactory range – are a bit below those of both the OPS4 and OPS5 cohorts. However, the number of outcome ratings from a single APR year cohort is not sufficient to indicate trends in performance. When considering all cohorts to date, 83% of GEF projects have overall outcome ratings in the satisfactory range, and 79% of GEF funding is in projects with overall outcome ratings in the satisfactory range.

Table 6. Outcome ratings on projects in the APR 2005-2008, APR 2009-2012, and APR 2013 cohorts.

Outcome Rating/Criteria	APR 2005-2008 cohorts	APR 2009-2012 cohorts	APR 2013 cohort	All cohorts
Highly Satisfactory	4%	5%	6%	5%
Satisfactory	46%	41%	34%	41%
Moderately Satisfactory	30%	40%	39%	37%
Percentage of projects with Outcomes rated MS or higher	80%	86%	79%	83%
Moderately Unsatisfactory	12%	11%	18%	13%
Unsatisfactory	7%	2%	3%	4%
Highly Unsatisfactory	<1%	-	-	<1%
Number of rated projects	205	281	160	646

Note – numbers may not sum to 100% due to rounding.

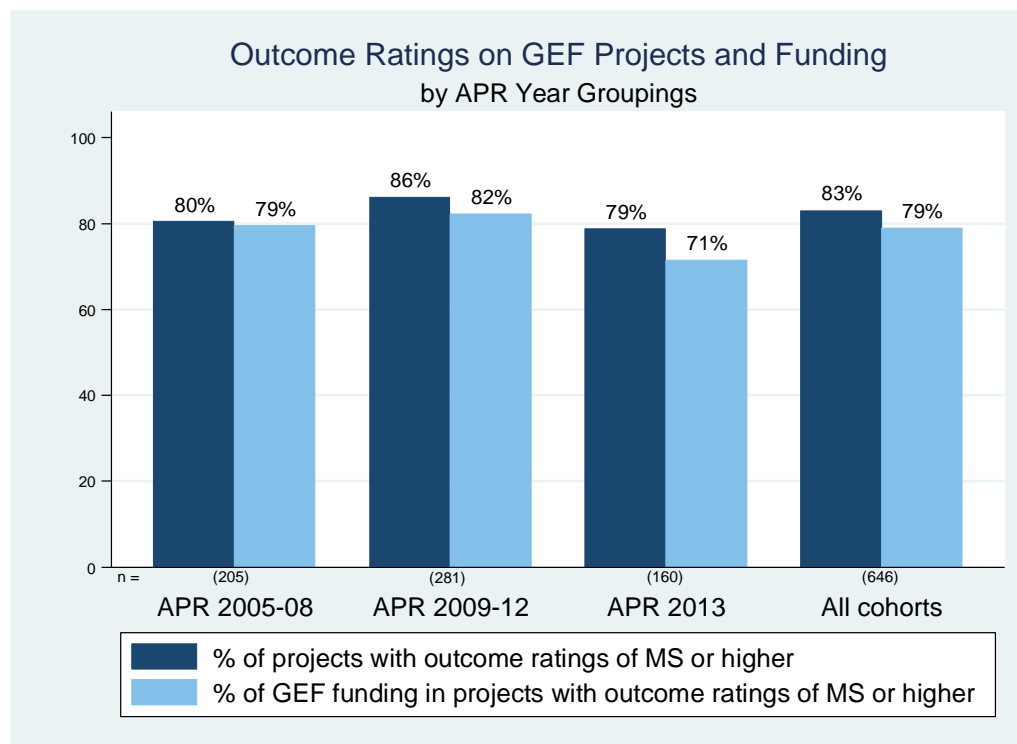
Table 7. Percentage distribution of GEF funding in projects by Outcome ratings, for the APR 2005-2008, APR 2009-2012, and APR 2013 cohorts.

Outcome Rating/Criteria	APR 2005-2008 cohorts	APR 2009-2012 cohorts	APR 2013 cohort	All cohorts
Highly Satisfactory	5%	4%	4%	4%
Satisfactory	43%	39%	28%	38%
Moderately Satisfactory	32%	39%	40%	37%
Percentage of GEF funding in projects with Outcomes rated MS or higher	79%	82%	71%	79%
Moderately Unsatisfactory	13%	15%	27%	17%
Unsatisfactory	6%	3%	1%	3%
Highly Unsatisfactory	2%	-	-	1%
Total GEF funding in rated projects (\$M)	1,005.3	1,137.6	630.8	2,703.8

Note – numbers may not sum to 100% due to rounding.

Figure 3. Outcome ratings on GEF projects and funding, by APR year cohort groupings.

⁹ In accordance with standard reporting practices of the international development community, projects with outcome ratings of moderately satisfactory or higher are referred to as have ratings within the satisfactory range.



66. Table 8 and Figure 4 show outcome ratings and GEF projects and funding, grouped by GEF replenishment phase. As noted in section 2.4, coverage to date of GEF phases is incomplete and particularly for the Pilot, GEF-1, and GEF-4 phases, quite low. It would therefore be premature to interpret the ratings from these cohorts as indicative of any trends, as overall ratings figures from these phases can be expected to change with increased coverage. Accounting for this, outcome ratings by GEF phase appear relatively stable from GEF-1 onwards, with around 80% of projects and 80% of funding in projects with outcome ratings in the satisfactory range.

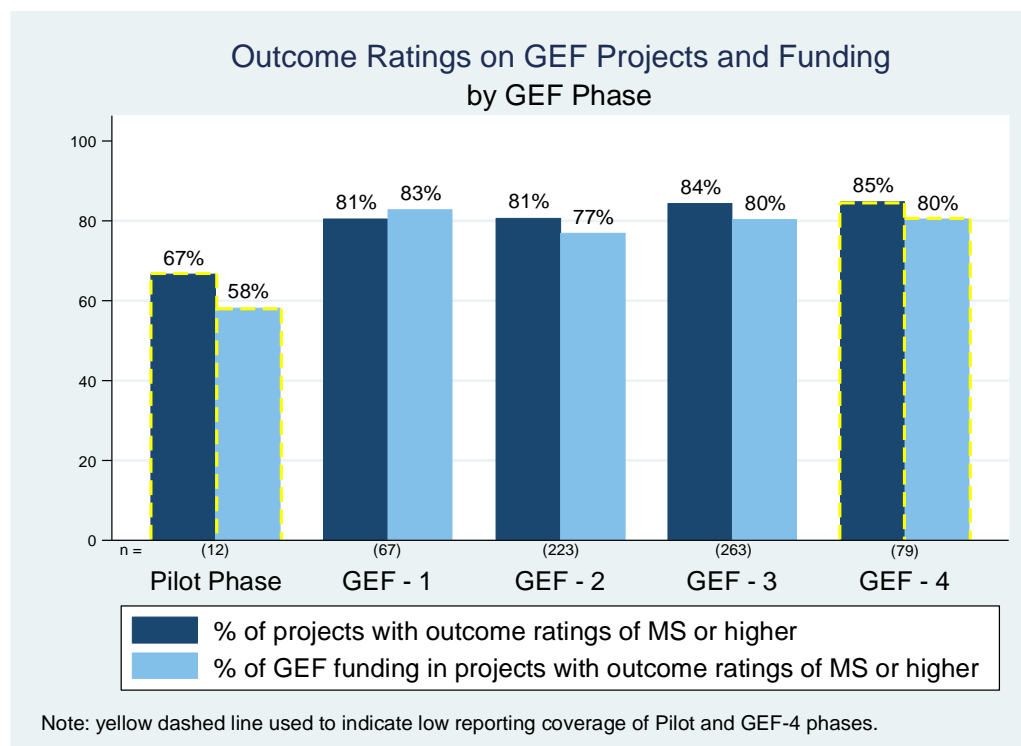
Table 8. Outcome ratings on GEF projects and funding by GEF replenishment phase. Coverage of GEF phases to date is incomplete and as follows: Pilot Phase (11%); GEF-1 (44%); GEF-2 (61%); GEF-3 (46%); GEF-4 (10%).

Criteria	GEF Replenishment Phase					All Phases [†]
	Pilot Phase	GEF-1	GEF-2	GEF-3	GEF-4	
Number of rated projects	12	67	223	263	79	646
GEF funding in rated projects (\$M)	99.2	555.8	1,066.8	866.4	113.9	2,703.8
Percentage of projects with outcome ratings of MS or higher	67%	81%	81%	84%	85%	83%
Percentage of GEF funding in projects with outcome ratings of MS or higher	58%	83%	77%	80%	80%	79%

Note – numbers may not sum to 100% due to rounding.

[†] All phases includes 2 projects from the GEF-5 phase.

Figure 4. Outcome ratings on GEF projects and funding by GEF replenishment phase. Coverage of GEF phases to date is incomplete and as follows: Pilot Phase (11%); GEF-1 (44%); GEF-2 (61%); GEF-3 (46%); GEF-4 (10%).



67. Figure 5 shows outcome ratings by lead implementing agency for the two most recent four-year APR cohorts: APR years 2006-2009, and APR years 2010-2013. A substantial rise in ratings is seen among UNDP-implemented GEF projects between the two four-year APR cohorts, as is a substantial drop in the ratings of World Bank-implemented GEF projects. In both cases, differences in the share of projects rated MS or higher between 4-year APR cohorts is statistically significant at a 95% confidence level.

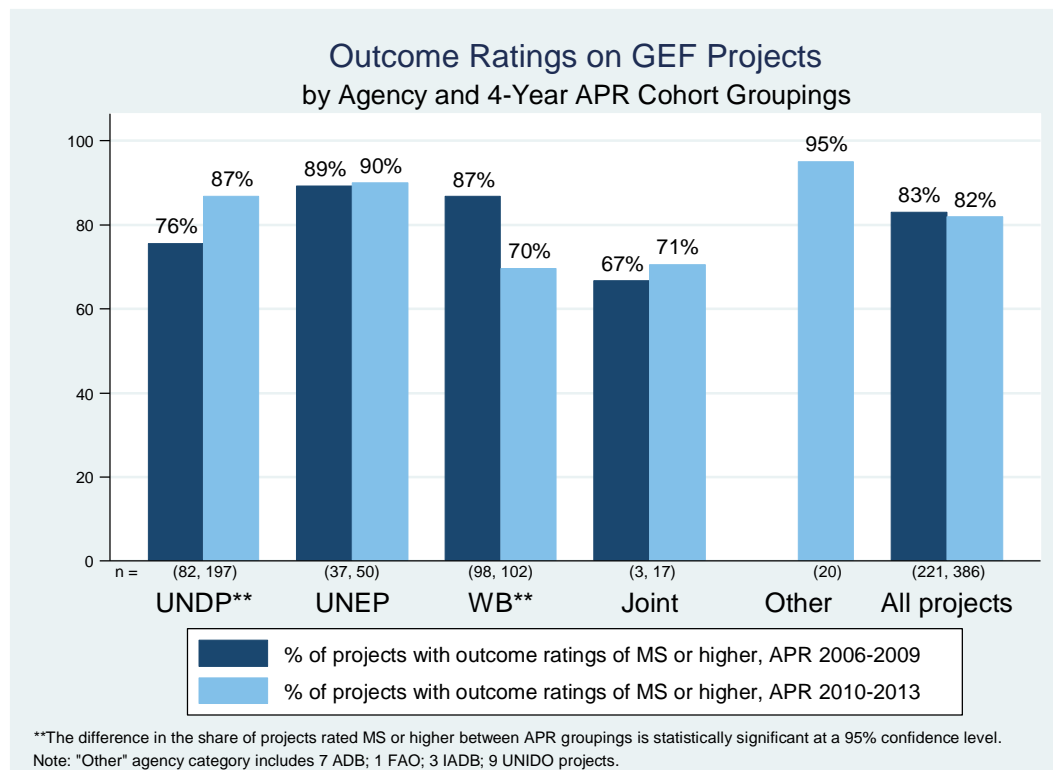
68. A 2014 WB IEG review examining the World Bank Group's partnership with the GEF found that since inception, ratings along most performance criteria for GEF-supported World Bank projects have steadily declined over time.¹⁰ The review also observed that the decline in ratings of World Bank GEF projects is not found in the World Bank's portfolio of other non-GEF environment-related projects, except those projects approved during FY 2004-2007. While not drawing an explicit link to project performance, the IEG review finds a number of issues concerning the GEF partnership, including fees for project administration that are "felt to be at unsustainably low levels by the World Bank and other Agencies,"¹¹ weak and inconsistent information systems across the partnership, and changes in the role of GEF Partner Agencies and the Secretariat with respect to the preparation of GEF policy and strategy documents. Of these concerns, it is plausible that the decline in project ratings of

¹⁰ IEG 2014. *Global Program Review: The World Bank Group's Partnership with the Global Environment Facility*. Washington, DC.

¹¹ Ibid, Overview, Volume 7, Issue 1, pg 7.

World Bank-GEF projects could be linked to insufficient funds for project oversight. However, if that were the case then its effect will show on the trends of outcome rating after considerable time lag.

Figure 5. Outcome ratings on GEF projects, by lead implementing agency and 4-year APR cohorts.



69. Another possibility that has been examined by the GEF IEO is whether a change in the application of ratings criteria by the IEG might be responsible in part for the decline in ratings of WB GEF projects. That is, rather than being reflective of a true decline in project performance, is it possible that IEG has been more stringent in application of its criteria in providing outcome ratings that may be affecting outcome ratings GEF projects more than others. For example, an approach that values quantitative evidence on cost effectiveness and benchmarking for assessing efficiency of outcomes is likely to undervalue outcomes of a project that primarily tackles upstream policy and regulatory concerns and institutional capacity development related concerns, compared to other projects where generation of cost effectiveness and benchmarking related data is easier.
70. As described in further detail in Annex C, the inference for this line of inquiry is found in the ratings from both terminal evaluations (termed ICRs in the World Bank) and the ratings from IEG review of ICRs. A large gap is seen in the ratings from ICRs and those from IEG review of ICRs – in some review years the difference in ratings is greater than 40%.¹² The ratings discrepancy is particularly large for

¹² With respect to project-level evaluations, the World Bank IEG conducts two different kinds of reviews. One is a desk review of WB Implementation Completion Reports (ICRs) that is similar to terminal evaluation reviews done by the GEF IEO and those of other GEF Partner Agency evaluation offices. Final ratings from IEG ICR reviews are reported on in the GEF APR. The other type of project-level review done by the IEG are what are termed "Project Performance Assessment Reports" (PPARs). PPARs are conducted on roughly 1 in 4 completed projects and are in-depth reviews, often involving follow-up interviews and field visits, done several years after project completion. Because PPARs are

recent years, suggesting that some change in the stringency with which IEG is applying ratings criteria to the review of ICR ratings may be contributing to the decline in overall ratings on WB GEF projects. In its communications with the IEO, IEG has confirmed that it has indeed become more stringent in application of the outcome rating criteria. However, this alone does not explain the drop because other non-GEF projects in the World Bank portfolio have not experienced similar trends.

71. Table 9 presents outcome ratings on GEF projects in the two most recent 4-year APR cohorts: APR 2006-2009, 2010-2013, as well as for the 2006-2013 cohort, by various groupings. Statistical tests of significance were used to identify those groupings where the difference in outcome ratings between projects inside and outside the grouping is significant at a 90 or 95 percent confidence level. This analysis reveals three areas of potential concern. The first concerns outcome ratings on World Bank implemented projects for the most recent 4-year APR cohort is well below those of non- World Bank implemented projects. The difference in outcome ratings is significant at a 95% confidence level.
72. The other two areas of concern are perhaps not surprising but they do underscore the similarities in preconditions for project success between GEF projects and non-GEF development projects. That is, projects implemented in African states tend to have lower outcome ratings than projects implemented in non-African states. Similarly, outcome ratings on GEF projects implemented in fragile states, Small Island Developing States (SIDS), and Least-Developed Countries (LDCs) also tend to underperform on average relative to projects implemented in other countries. For all of these regional and country characteristic groupings, the difference in outcome ratings is significant at a 95 percent confidence level when considering the most recent 4-year APR cohort.

Table 9. Overall Outcome ratings for projects in the APR 2006-2009, 2010-2013, and 2006-2013 cohorts, by alternate groupings.

		APR 2006-2009		APR 2010-2013		APR 2006-2013	
Criteria		# of rated projects	% of projects with outcomes rated ≥MS	# of rated projects	% of projects with outcomes rated ≥MS	# of rated projects	% of projects with outcomes rated ≥ MS
GEF Implementing agency	UNDP	82	76%	197	87%	279	84%
	UNEP	37	89%	50	90%	87	90%
	World Bank	98	87%	102	70%**	200	78%**
	Other	1	100%	20	95%	21	95%
	Joint Implementation	3	67%	17	71%	20	70%
Executing agency	Government or parastatal agency	116	83%	234	82%	350	83%
	NGO or foundation	59	85%	58	83%	117	84%
	Bilateral or multilateral agency	39	77%	80	84%	119	82%
	Other, including private sector organizations	7	100%	14	71%	21	81%
Focal area	Biodiversity	118	82%	159	86%	277	84%
	Chemicals	5	100%	19	79%	24	83%
	Climate Change	56	84%	91	82%	147	83%
	International Waters	29	83%	41	76%	70	79%
	Land Degradation	5	60%	29	79%	34	76%
	Multi Focal	8	88%	42	81%	50	82%
	LCDF and SCCF projects	0	-	5	80%	5	80%
Region	Africa	46	78%	82	71%**	128	73%**
	Asia	52	81%	90	84%	142	83%
	Europe and Central Asia	42	81%	97	89%	139	86%
	Latin America and the Caribbean	58	86%	75	83%	133	84%
	Global	23	91%	42	86%	65	88%
Country characteristics ^a	Fragile state	27	70%*	49	71%**	76	71%**
	SIDS	12	67%	24	54%**	36	58%**
	LDC	39	74%	78	74%**	117	74%**
	Landlocked	40	78%	102	87%	142	85%
Size ^b	Full-sized project	115	78%	217	81%	332	80%
	Medium-sized project	106	88%	169	84%	275	85%
Scope	National	157	83%	284	82%	441	83%
	Regional	41	76%	60	82%	101	79%
	Global	23	91%	42	86%	65	88%
GEF Phase	Pilot Phase	7	57%	0	-	7	57%
	GEF – 1	41	78%	9	78%	50	78%
	GEF – 2	132	83%	74	77%	206	81%
	GEF – 3	41	90%	222	83%	263	84%
	GEF – 4	0	-	79	85%	79	85%
	GEF – 5	0	-	2	100%	2	100%
All projects		221	83%	386	82%	607	83%

^a For regional and global projects, includes projects in which at least one participating country with on-the ground implementation activities is a member of the relevant grouping.

^b The full-sized project class includes 2 Enabling Activities based on size of GEF grant.

* The difference in the share of projects with outcome ratings of MS or higher from within and outside of this grouping (by criteria and within a given APR Year cohort) is statistically significant at a 90 percent confidence level (ex., difference in outcome ratings from projects implemented in Fragile and non-Fragile states within the APR 2006-09 cohort).

** The difference in the share of projects with outcome ratings of MS or higher from within and outside of this grouping (by criteria and within a given APR Year cohort) is statistically significant at a 95 percent confidence level.

3.3 Sustainability

73. The sustainability of project outcomes following project completion is an important element of project success for two main reasons: (1) it provides an indication of the degree to which GEF project interventions have been successful in bringing about any lasting change to the systems, institutions, or networks upon which the project is focused, and (2) the sustainability of project outcomes is very often a prerequisite for the achievement of desired impacts which can be expected to manifest over time periods longer than the project implementation period.¹³ Given the scale of global environmental challenges and the relative scarcity of GEF funding, designing and implementing projects such that project outcomes are sustainable is a primary goal for the GEF.¹⁴
74. Of the 651 projects in the APR 2005-2013 year cohort, 625 have been rated on sustainability of project outcomes. Table 10 and Figure 6 present sustainability ratings by different APR year cohort groupings, as well as sustainability ratings combined with outcome ratings. A small (~5%) rise in sustainability ratings is seen between the two four-year OPS4 and OPS5 cohorts (APR 2005-08 and APR 2009-12), with sustainability ratings for the APR 2013 cohort in-line with those of the OPS4 cohort. When considering all APR year cohorts to date, around 60% of GEF projects and GEF funding is in projects with sustainability ratings of moderately likely or higher.
75. When sustainability ratings are combined with overall outcome ratings, as seen on the bottom of Table 10 and the right side of Figure 6, the same overall rise in ratings between OPS4 and OPS5 cohorts is seen, indicating that, among projects in these cohorts, those with satisfactory outcome ratings tend to also have sustainability ratings of moderately likely or above. For the APR 2013 cohort, the percentage of projects with both moderately likely or above sustainability ratings and satisfactory outcome ratings is 6% lower for projects and 11% lower for the percentage of GEF funding in projects meeting these two thresholds. As noted above, the number of projects in a single APR year cohort is too small to be indicative of any trend. When all cohorts to date are considered, the percentage of projects and GEF funding in projects with sustainability ratings of moderately likely and above and satisfactory outcome ratings is around 55%.

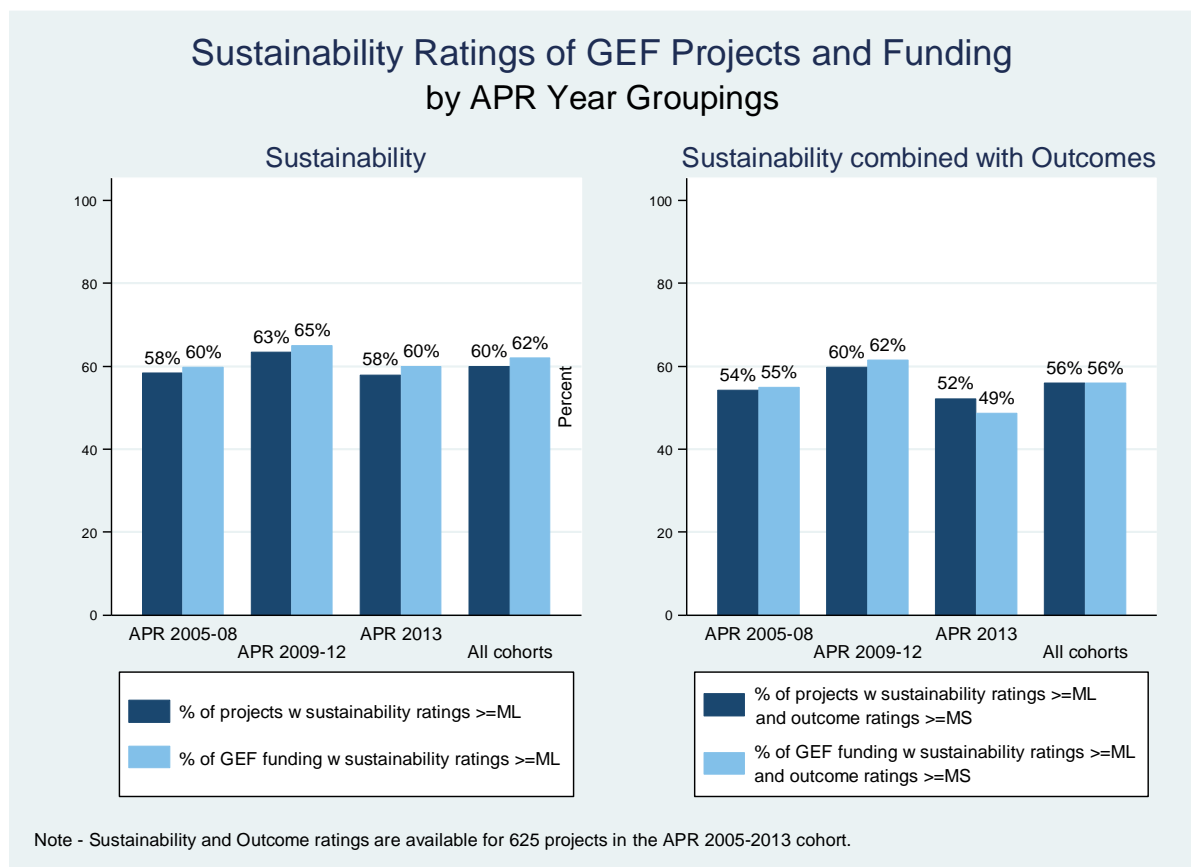
¹³ GEF EO 2009. *The ROTI Handbook: Towards Enhancing the Impacts of Environmental Projects*. OPS4 Methodological Paper #2.

¹⁴ GEF 2011. *Instrument for the Establishment of the Restructured Global Environment Facility*.

Table 10. Percentage of GEF projects and funding in projects with Sustainability ratings of moderately likely or above.

Criteria	APR 2005-2008	APR 2009-2012	APR 2013	All cohorts
Number of rated projects	192	276	157	625
Percentage of projects with Sustainability ratings of ML or higher	58%	63%	58%	60%
Percentage of projects with Outcomes rated MS or higher and Sustainability rated ML or higher	54%	60%	52%	56%
Total GEF funding in rated projects (\$M)	903.0	1,060.5	620.8	2,584.4
Percentage of GEF funding in projects with Sustainability ratings of ML or higher	60%	65%	60%	62%
Percentage of GEF funding in projects with Outcomes rated MS or higher and Sustainability rated ML or higher	55%	62%	49%	56%

Figure 6. Sustainability ratings and Sustainability ratings combined with Outcome ratings, by APR Year groupings.



76. Differences are found when sustainability ratings are assessed by focal area. As shown in Table 11, sustainability ratings for both biodiversity and multi-focal projects are on average lower than for other focal areas – with relatively little movement over the past 8 APR year cohorts.¹⁵ The difference in sustainability ratings between biodiversity and non-biodiversity projects within the APR 2006-2013 year cohort is statistically significant at a 95% confidence level. The difference in sustainability ratings between multi-focal and non-multi-focal area projects is also significant at a 95% confidence level, but only if biodiversity projects are excluded from the pool of non multi-focal projects. For biodiversity projects, achievement of sustainability is difficult in most instances given the persistent threats to biodiversity conservation and limited funding for follow up activities. For multi-focal area projects, care must be taken in interpreting the findings as they are based on a small number of completed projects to date (49). Given the increasing prominence of multi-focal area projects in the GEF portfolio, additional analysis and understanding is needed on how project sustainability can be achieved in these kinds of projects.

Table 11. Sustainability ratings by GEF focal area, for APR year cohorts 2006-09, 2010-13, and 2006-13.

GEF Focal Area	APR 2006-09		APR 2010-13		APR 2006-13	
	# of rated projects	% of projects rated ≥ML	# of rated projects	% of projects rated ≥ML	# of rated projects	% of projects rated ≥ML
Biodiversity	110	57%	154	56%	264	57%**
Climate Change	54	72%	95	68%	149	70%
Chemicals[†]	5	60%	18	61%	23	61%
International Waters	27	74%	41	66%	68	69%
Land Degradation	5	40%	29	62%	34	59%
Multi-Focal	7	71%	42	48%	49	51%**
All projects	208	63%	379	60%	587	61%

[†] Projects shown in the Chemicals focal area are those involving activities under the POPs focal area in support of the implementation of the Stockholm Conventions, and activities in the ozone layer depletion focal area to support implementation of the Montreal Protocol in eligible Countries with Economies in Transition. Prior to GEF-4, these projects were not grouped together in single GEF focal area.

** The difference in the share of BD and non-BD projects with sustainability ratings of MS or higher is statistically significant at a 95 percent confidence level. The difference in the share of MF and non-MF projects with sustainability ratings of MS or higher is statistically significant at a 95 percent confidence level if BD projects are also excluded from non-MF projects.

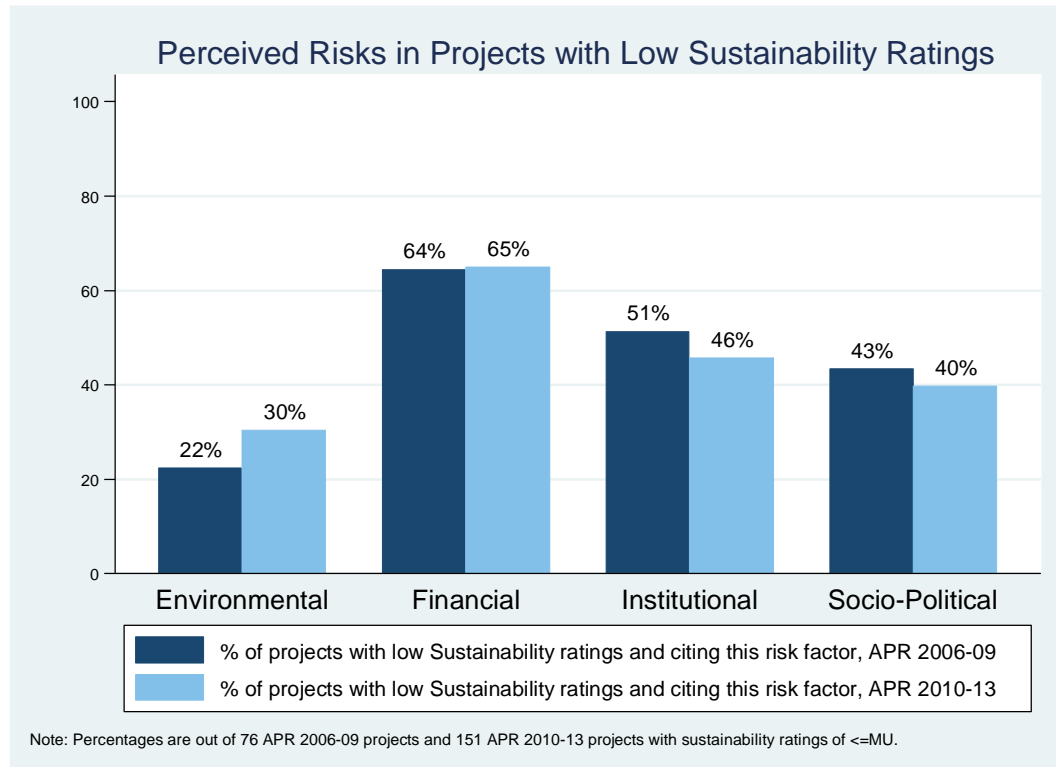
3.4 Perceived threats to sustainability of project outcomes

77. To provide insights into the perceived threats to the sustainability of project outcomes, project evaluators are asked to assess the risks to project sustainability along four principle lines: environmental risks, financial risks, institutional risks, and socio-political risks. As shown in Figure 7, for the set of projects with low sustainability ratings (moderately unlikely or lower), financial risks are the most frequently cited threat to project sustainability, with around 65% of project evaluations with low sustainability ratings in the two most recent four-year APR year cohorts citing this risk factor as one reason for the project's low sustainability rating. The percentage of projects citing institutional and socio-political risks to project sustainability has gone down slightly in the most recent four-year APR year cohort, however these risks are still a factor in 46% and 40%, respectively, of projects with low sustainability ratings. Among the four categories of risk to project sustainability, environmental risks are the least likely to be cited, with only 30% of projects with low sustainability

¹⁵ The sustainability ratings for multi-focal projects in the APR 2006-2009 cohort are based upon only 7 projects and should not be taken as indicative of any trend.

ratings in the APR 2010-2013 year cohort citing this risk factor as a reason for the project's low sustainability ratings. At the same time, this risk factor is the only one of the four risk types showing a modest rise between the two most recent four-year APR year cohorts in the percentage of projects with low sustainability ratings citing this threat as a reason for the project's rating. Data from additional completed projects is needed before an assessment can be made as to whether or not this finding is indicative of any long term trend.

Figure 7. Perceived risks to sustainability among projects with low (\leq MU) sustainability ratings, by 4-year APR groupings.



78. Table 12 shows how perceived risks to sustainability vary by focal area, for projects in the past 8-year APR year cohort with ratings on overall sustainability. It is perhaps to be expected that terminal evaluations of a higher proportion of biodiversity and land degradation projects cite environmental risks as a threat to sustainability of project outcomes, as these projects are more directly focused upon environmental threats. Other figures that stand out are the high proportion of terminal evaluations for multi-focal projects that cite significant or higher financial threats to project sustainability, and the high proportion of terminal evaluations for chemical projects citing significant or higher institutional threats to project sustainability. In both cases, the number of rated projects is too small for the findings to be statistically significant, but they suggest an area for further analysis as ratings from additional projects are subsequently brought in.

Table 12. Percentage of projects in APR 2006-13 year cohort with ratings on overall sustainability that cite ≥ significant perceived risks to project sustainability along assessed risk dimensions, by focal area.

GEF Focal Area	Projects with overall sustainability ratings	% of projects citing ≥ significant environmental risk	% of projects citing ≥ significant financial risks	% of projects citing ≥ significant institutional risks	% of projects citing ≥ significant socio-political risk
Biodiversity	264	15%	27%	19%	19%
Climate Change	149	5%	25%	13%	11%
Chemicals [†]	23	9%	22%	30%	22%
International Waters	68	7%	16%	16%	15%
Land Degradation	34	18%	29%	21%	24%
Multi-Focal	49	12%	39%	27%	18%
All projects	587	11%	26%	18%	17%

[†] Projects shown in the Chemicals focal area are those involving activities under the POPs focal area in support of the implementation of the Stockholm Conventions, and activities in the ozone layer depletion focal area to support implementation of the Montreal Protocol in eligible Countries with Economies in Transition. Prior to GEF-4, these projects were not grouped together in single GEF focal area

3.5 Outcome and sustainability ratings of completed SCCF and LDCF projects

79. Four completed projects that received funding from the Special Climate Change Fund (SCCF) and 1 completed project that received funding from the Least Developed Countries Fund (LDCF) are among the 160 completed projects in the APR 2013 cohort – marking the first time that projects supported by these funds are reported on in the APR. For fiscal year 2014, the GEF IEO has also begun reporting on the LDCF/SCCF portfolio and related issues in more detail in the LDCF/SCCF Annual Evaluation Report. Going forward, the APR will continue to provide coverage on completed LDCF/SCCF projects, including several currently under implementation that are jointly funded from the GEF Trust Fund and the LDCF and/or SCCF funds.
80. Table 13 provides summary information and outcome and sustainability ratings for the 5 completed SCCF/LDCF projects. Given the small number of completed projects to date, these 5 projects are not representative of the full range of objectives and approaches utilized in the SCCF/LDCF portfolio. Four are national projects focused on freshwater availability and management and the other is an economic analysis of adaptation options intended for a global audience.
81. Four of the 5 completed projects have outcome ratings in the satisfactory range. One notable theme common to three of the projects with satisfactory outcome ratings (GEF IDs 2832; 3154; 3156) is the reliance upon decentralized governance and decision-making. In all three projects, governance of local water resources was established in part through a bottom-up process involving stakeholder forums that enhanced buy-in and participation and was reportedly critical to the success of the projects. The Economic Analysis of Adaptation Options project, (GEF ID 3679) which sought “to develop a framework and information base to support increased and innovative means of financing adaptation to climate change”, is rated as moderately unsatisfactory for overall outcomes. Key shortcomings cited in the terminal evaluation of this project were a disconnect between national planning and the project’s methodology, and the proprietary nature of project data and methodology, which is seen as limiting the long-term impact of the project.
82. In terms of sustainability of project outcomes, 3 of the 5 completed projects received ratings of moderately likely or higher. Financial threats are seen as limiting the sustainability of the Coping

with Drought and Climate Change in Ethiopia project (GEF ID 3154), whereas for the Economic Analysis of Adaptation Options project (GEF ID 3679), the lack of an open methodology and publically accessible project data, noted above, and the fact that the project's reporting failed to make an impact in peer-reviewed academic literature or country-driven strategies, were determinants in the project's moderately unlikely sustainability rating.

Table 13. Outcome and Sustainability ratings on 4 completed SCCF and 1 LDCF projects that are part of the APR 2013 cohort.

GEF ID	Fund	Agency	Project Title	Country	GEF Funding (\$M)	Outcome rating	Sustainability rating
2832	SCCF	UNDP	Mainstreaming Climate Change in Integrated Water Resources Management in Pangani River Basin	Tanzania	1	MS	ML
3154	SCCF	UNDP	Coping with Drought and Climate Change	Ethiopia	1	S	MU
3156	SCCF	UNDP	Coping with Drought and Climate Change	Zimbabwe	1	S	ML
3679	SCCF	UNEP	Economic Analysis of Adaptation Options	Global	1	MU	MU
3219	LDCF	UNDP	Reducing Climate Change-induced Risks and Vulnerabilities from Glacial Lake Outbursts in the Punakha-Wangdi and Chamkhar Valleys	Bhutan	3.4	S	L

4. Factors Affecting Attainment of Project Results

83. Attainment of project results is affected by many factors, from project design and quality of project implementation and execution, to the operational context in which projects take place, to exogenous factors beyond the control of project management. Given the range and complexity of these factors, it is difficult to isolate variables and determine their specific effects on project outcomes. At the same time, associations between factors and project outcomes are found within the current set of project ratings for completed GEF projects.
84. This chapter reports on three factors that may be expected to link with project outcomes: Quality of project Implementation, Quality of project Execution, and realization of promised co-financing. In chapter five and six some aspects related to project cycle and co-financing's effect on the GEF project cycle are discussed. These too may have a bearing on the results of a project.

4.1 Quality of Implementation and Execution

85. From FY 2008 onwards, the Evaluation Office has assessed quality of project implementation and execution of completed projects. As noted in chapter two, Quality of Implementation covers the quality of project design, as well as the quality of supervision and assistance provided by implementing agency(s) to executing agency(s) throughout project implementation. Quality of Execution primarily covers the effectiveness of the executing agency(s) in performing its roles and responsibilities. In both instances the focus is upon factors that are largely within the control of the respective implementing and executing agency(s).
86. Two reviews examining quality of supervision, defined as “the identification and tracking of, and response to, risks and other issues affecting project implementation and achievement of project objectives,” were undertaken by the GEF IEO in FY 2006 and 2009.¹⁶ These reviews, which examined a sample of projects under implementation during FY 2005-06 and FY 2007-08,¹⁷ respectively, found a slight improvement overall in the supervision of GEF projects between the two cohorts, with significant improvements occurring at UNEP. Improvements at UNEP were explained by the Agency's development of a risk-tracking system that became operational in FY 2008; the requirement that focal area team leaders regularly monitor follow-up given by task managers to projects at risk; and the appointment of dedicated staff to monitor project supervision at the portfolio level.
87. To date, 489 completed projects have ratings on Quality of Implementation and 484 projects have ratings for Quality of Execution. As shown in Table 14, at the portfolio level, ratings for both these metrics have remained fairly stable among the six APR year cohorts where ratings are available. However, when quality of project implementation ratings are aggregated by GEF Partner Agency, larger movements in ratings are found. As seen in Figure 8, the percentage of projects with quality of implementation ratings in the satisfactory range has gone up for UNDP and UNEP for the two

¹⁶ GEF EO 2010. *Annual Performance Report 2009*. Evaluation Report No. 57, Chapter 6.

¹⁷ 55 GEF projects under implementation during FY 2005-06 were assessed in the FY 2006 study, and 47 projects under implementation during FY 2007-08 were assessed in the FY 2009 study.

most recent 3-year APR year cohorts.¹⁸ This mirrors to some extent the improvements in Agency performance found in the 2009 Quality of supervision assessment, although it is important to note that project ratings for Quality of Implementation and the Quality of Supervision assessments, while similar, do not use an identical measurement metric.¹⁹ For the same period, Quality of Implementation ratings on World Bank implemented projects have declined substantially between the two most recent 3-year APR year cohorts, and this difference is statistically significant at a 95 percent confidence level. No substantive change in Quality of Supervision by the World Bank was found in the 2009 assessment.

88. It is plausible that the steep decline in implementation ratings is a consequence of the IEG approach to rating implementation becoming more stringent. In fact, when ICR and IEG review ratings for implementation quality are compared they exhibit a similar pattern as those of overall outcome ratings, with a very large spread in ratings seen among projects completed or reviewed in recent years. This is not to say that the decline in implementation ratings on World Bank GEF projects should be ignored. Rather, it suggests that further analysis is needed to understand what may be behind the decline in performance ratings of World Bank GEF projects before any course of corrective action may be identified.

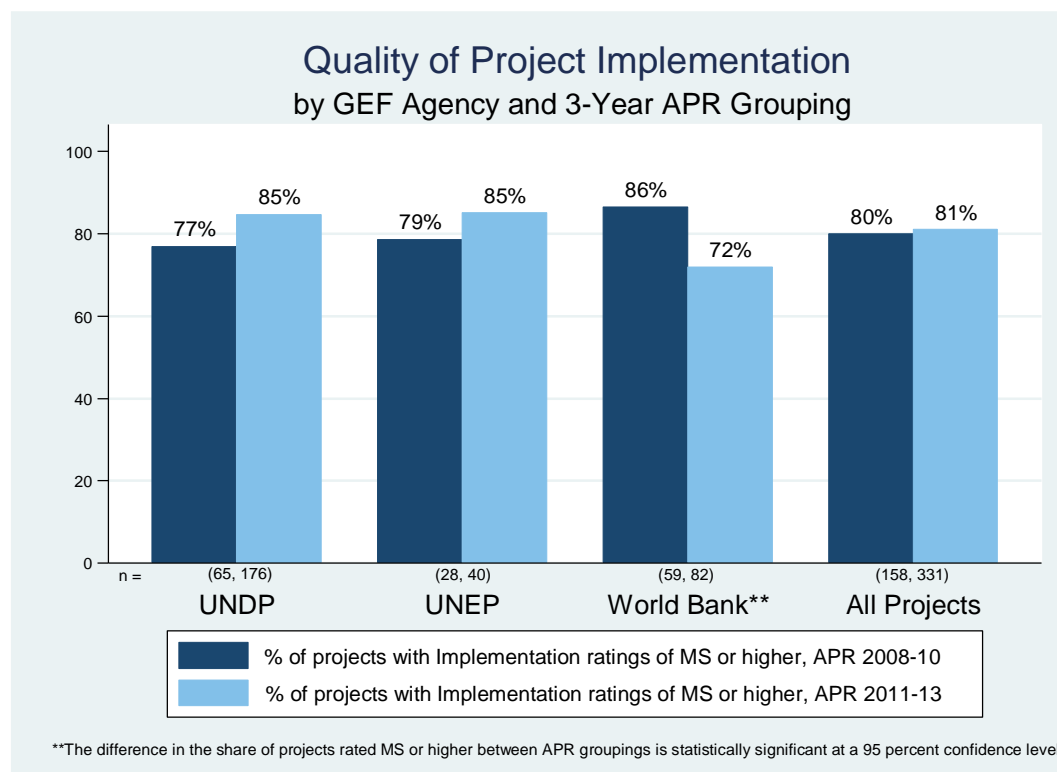
Table 14. Quality of project Implementation and Execution, by APR year cohort.

Criteria	APR Year Cohort						All cohorts
	APR 2008	APR 2009	APR 2010	APR 2011	APR 2012	APR 2013	
Percentage of projects with Quality of Implementation rated MS or higher	72%	85%	86%	81%	86%	78%	81%
Number of rated projects	60	55	43	101	76	154	489
Percentage of projects with Quality of Execution rated MS or higher	83%	87%	86%	81%	86%	85%	84%
Number of rated projects	59	54	43	98	76	154	484

¹⁸ Three-year APR cohorts are used due to the unavailability of Implementation ratings for APR cohort years 2007 and earlier.

¹⁹ Quality of Implementation covers such project-specific components as quality of project design, whereas the Quality of Supervision assessments done in FY 2006 and FY 2009 were largely focused on Agency systems and procedures for monitoring GEF projects at the portfolio level.

Figure 8. Quality of project implementation by GEF Agency and 3-year APR Year cohort groupings. Note that 3-year APR cohorts are used due to the unavailability of Implementation ratings for APR cohort years 2007 and earlier.



4.2 Realization of promised co-financing

89. OPS-5 reported a general consensus among key stakeholders in the GEF partnership on the utility of co-financing, which is seen as helping to bring additional resources to GEF projects, increase country ownership, and increase the likelihood support for follow-up activities following project closure.²⁰

Tracking the materialization of co-financing is important as it provides information on the extent to which partner organizations meet their commitments. Non-materialization of co-financing may hamper implementation of several of the project activities and, in several situations, compromise achievement of project results.

90. Tables 15 and 16 and Figure 9 present data on promised and realized (actual) co-financing for projects by different APR year cohorts. As reported in APR 2012, there was a substantial rise in the amount of promised co-financing to dollar of GEF grant between the OPS4 and OPS5 cohorts. The median ratio of promised co-financing to GEF grant rose from 1.2 to 1.6 in OPS4 and OPS5, respectively, and the total amount of promised co-financing to total GEF funding in these two 4-year cohorts rose from 2.0 to 2.7 dollars of promised co-financing per dollar of GEF grant. On average, projects from the APR 2013 cohort have similar ratios of promised co-financing to GEF grant as projects in the OPS5 cohort. The large rise evident in the total amount of promised co-financing to

²⁰ GEF IEO, 2014. OPS5, pg. 30.

GEF grant in the APR 2013 cohort is due to a few project outliers generating very large amounts of promised co-financing. In particular, a single project in the APR 2013 cohort, “The Second Beijing Environment Project,” (GEF ID#7) accounts for \$1,230 million in promised co-financing.

91. While the number of projects for which data on realized co-financing is available is not as large as those with data on promised co-financing, figures on realized co-financing closely track those of promised co-financing. On average, for both the OPS5 and APR 2013 cohort, the amount of realized co-financing was slightly higher than the amount of promised co-financing. When considering all cohorts to date, the median ratio of promised or realized co-financing to GEF grant is around 1.5 dollars of co-financing to dollar of GEF grant. If considering the total amount of co-financing in all cohorts, the amount of promised co-financing to GEF grant is just over 3 dollars of promised co-financing to GEF grant, and the total amount of realized co-financing to GEF grant is just below 4 dollars of realized co-financing to dollar of GEF grant.
92. As shown in the bottom of Table 16, the percentage of projects realizing expected co-financing at 90% or 100% of the promised amount is actually higher in the OPS5 cohort than for the OPS4 cohort. This is despite the amount of promised co-financing to GEF grant on average being considerably higher in the OPS5 cohort compared to the OPS4 cohort. Additional analysis looking at the sources and types of co-financing among projects in these two cohorts is needed to assess what may be behind both the rise in promised and realized co-financing in GEF projects over time. Table 17 and 18 provide information on promised and realized cofinancing by GEF Agency.

Figure 9. Promised and realized co-financing of GEF projects, by APR year cohort groupings.

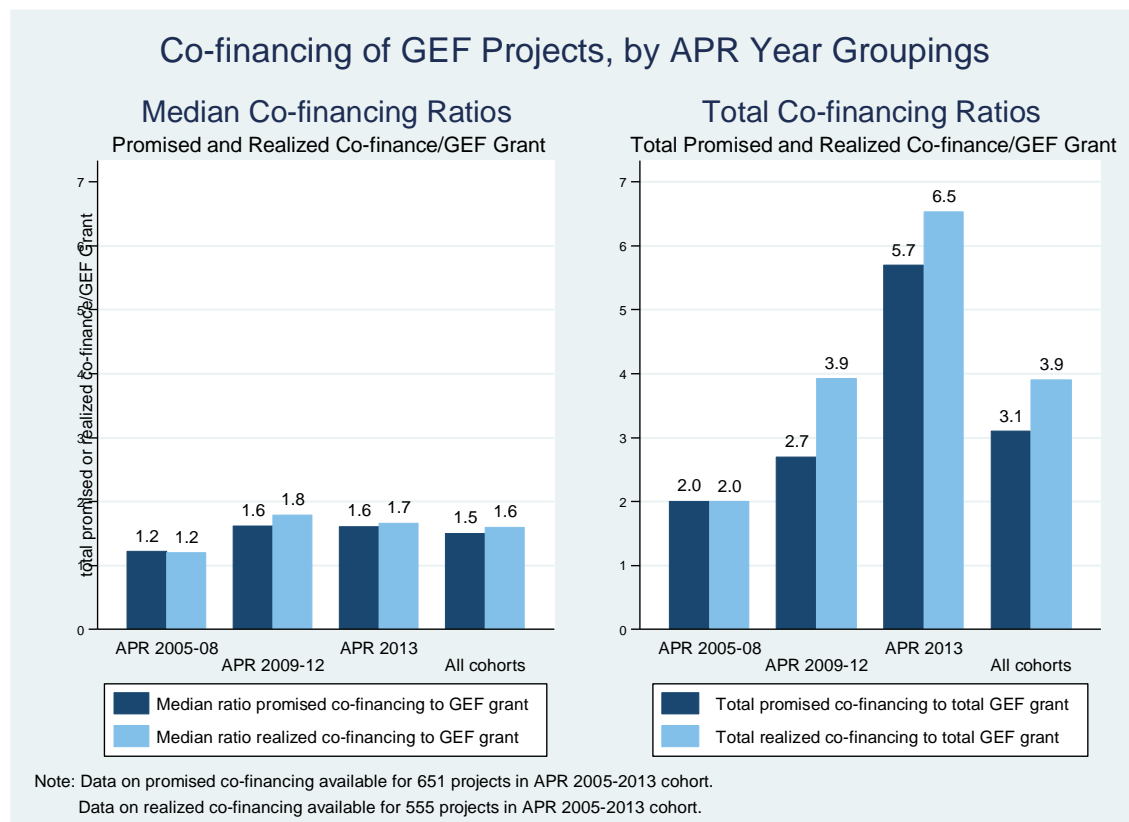


Table 15. Promised co-financing to GEF grant

Criteria	APR 2005-2008	APR 2009-2012	APR 2013	All cohorts
Total projects with data on promised co-financing	210	281	160	651
Total GEF funding (\$M)	984.5	1,094.0	630.8	2,709.3
Total promised co-financing (\$M)	1,970.1	2,952.9	3,593.0*	8,515.9
Median ratio promised co-financing to GEF grant	1.2	1.6	1.6	1.5
Ratio of total promised co-financing to total GEF grant	2.0	2.7	5.7	3.1

*A single project in the APR 2013 cohort, "The Second Beijing Environment Project," (GEF ID#7) accounts for \$1,230 million in promised co-financing.

Table 16. Realized (actual) co-financing figures

Criteria	APR 2005-2008	APR 2009-2012	APR 2013	All cohorts
Total projects with data on realized co-financing	162	264	129	555
Total realized co-financing (\$M)	1,425.9	4,008.3	3,360.3	8,794.5
Median ratio of realized co-financing to GEF grant	1.2	1.8	1.7	1.6
Ratio of total realized co-financing to total GEF grant for APR cohort	2.0	3.9	6.5	3.9
Percentage of projects with $\geq 90\%$ of promised co-financing realized	64%	78%	67%	71%
Percentage of projects with $\geq 100\%$ of promised co-financing realized	52%	69%	55%	61%

Table 17. Promised co-financing, by GEF Partner Agency (number of observations in parentheses).

Partner Agency	APR 2005-2008		APR 2009-2012		APR 2013		All Cohorts	
	Total promised co-financing / total GEF grant	Median promised co-financing / GEF grant	Total promised co-financing / total GEF grant	Median promised co-financing / GEF grant	Total promised co-financing / total GEF grant	Median promised co-financing / GEF grant	Total promised co-financing / total GEF grant	Median promised co-financing / GEF grant
UNDP	1.4 (84)	1.2 (84)	3.0 (146)	2.0 (146)	2.7 (73)	1.6 (73)	2.4 (303)	1.6 (303)
UNEP	1.7 (28)	1.3 (28)	1.2 (41)	1.3 (41)	1.7 (24)	1.2 (24)	1.5 (93)	1.3 (93)
World Bank	2.4 (95)	1.3 (95)	2.8 (72)	1.5 (72)	8.7 (47)	2.4 (47)	4.1 (214)	1.6 (214)
All projects	2.0 (210)	1.2 (210)	2.7 (281)	1.6 (281)	5.7 (160)	1.6 (160)	3.1 (651)	1.5 (651)

Table 18. Realized (actual) co-financing, by GEF Partner Agency (number of observations shown in parentheses).

Partner Agency	APR 2005-2008		APR 2009-2012		APR 2013		All Cohorts	
	Total realized co-financing/total GEF grant	Median realized co-financing / GEF grant	Total realized co-financing / total GEF grant	Median realized co-financing / GEF grant	Total realized co-financing / total GEF grant	Median realized co-financing / GEF grant	Total realized co-financing / total GEF grant	Median realized co-financing / GEF grant
UNDP	1.6 (58)	1.2 (58)	5.8 (141)	2.2 (141)	4.5 (55)	1.5 (55)	4.5 (254)	1.7 (254)
UNEP	1.7 (21)	1.5 (21)	1.8 (40)	1.7 (21)	1.5 (21)	1.2 (21)	1.7 (82)	1.5 (82)
World Bank	2.3 (80)	1.1 (80)	3.0 (63)	1.4 (63)	9.6 (39)	2.6 (39)	4.3 (182)	1.5 (182)
All projects	2.0 (162)	1.2 (162)	3.9 (264)	1.8 (264)	6.5 (130)	1.7 (130)	3.9 (556)	1.6 (556)

5. Elapsed time during Council Approval and CEO Endorsement Stages

93. The time required to prepare and implement projects is an important indicator of efficiency in project delivery. Delays in project preparation and implementation lengthen the project cycle, increase costs, and potentially affect the generation of global environmental benefits. In addition, an extended project cycle also poses a reputational risk to the GEF, as key stakeholders may perceive the organization to be inefficient, unresponsive, and bureaucratic. It is therefore important to monitor the time required for project proposals and projects to advance through the GEF project cycle, and to take corrective measures when necessary.
94. OPS-5 reported that key stakeholders in the GEF partnership perceive the GEF project cycle to be lengthy, and that the present requirements entail additional effort in project preparation. OPS-5 also reported that the GEF-5 target of 18 months for Council-approved project proposals to reach the CEO Endorsement stage is being met in less than half of all approved full-size GEF-5 projects. Moreover, performance along this metric has actually deteriorated in GEF-5 compared to GEF-4. At the same time, efficiency gains were noted in other parts of the GEF project cycle. When compared with past performance, OPS-5 reported a reduction in the time taken from Project Information Form (PIF) submission to PIF approval, from CEO Endorsement to project start, and in the timeliness of project completion.
95. The emerging results of OPS-5 were shared through inter-agency meetings. At that time, several participants expressed skepticism that the OPS-5 findings on the GEF project cycle would hold in the future, as (1) the analysis did not take account of the cyclical patterns that may be driving the performance, and (2) the findings were based on a small number of observations. Since the OPS-5 analysis, six months of additional data is available. Incorporation of additional data mitigates some of the concerns related to cyclical patterns and also significantly increases the number of observations. GEF IEO has, therefore, used this opportunity to prepare a follow-up to the analysis presented in OPS-5. The updated analysis seeks to determine the extent to which earlier findings on project preparation time, presented in OPS-5, still hold. Additionally, the updated analysis is intended to provide the working group – established to prepare proposals for the GEF Council on streamlining the project cycle – with additional information on this topic.
96. The updated analysis confirms the findings and conclusions of OPS-5 on project preparation-related project cycle stages. The analysis shows that compared to GEF-4, during GEF-5 less time is spent from the first submission of a PIF to its approval by the Council. It also confirms that the business standard of 18 months or less from Council Approval to CEO Endorsement is met in less than half of the cases, and that performance for GEF-5 projects along this metric is lower than that of GEF-4 projects. If the entire period from the first submission of PIF for Council Approval to CEO Endorsement is considered, only 30% of GEF-5 FSP proposals were CEO Endorsed within two years. This is a slight improvement over GEF-4. However, when eventual status in terms of CEO Endorsement or drop/rejection of project is taken into account, performance for GEF-5 proposals lags behind that for GEF-4.

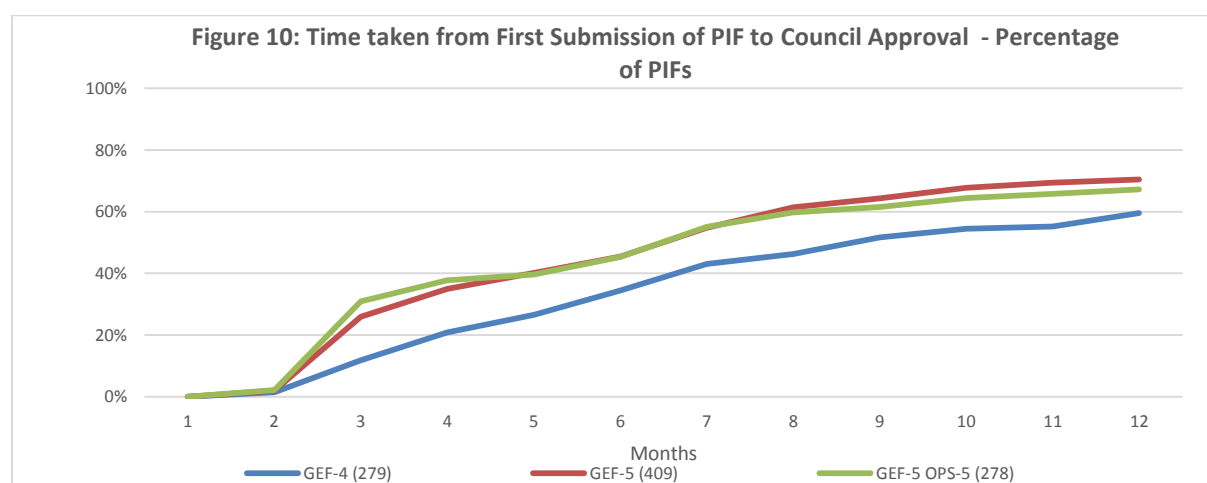
5.1 Methodology

97. The update on OPS-5 analysis on project cycle focuses on stand-alone full-size projects and covers Council Approval and CEO Endorsement stages of the project cycle. The analysis for other stages has not been updated for different reasons. Due to a poor response rate from the Operational Focal Points, the data on project identification stage is not being tracked effectively in PMIS. Therefore, no additional data on this stage is available. Moreover, since the data on project implementation and completion is updated annually, an update on this part of the analysis was not feasible.
98. Project data downloaded from the Project Management Information System (PMIS) was used as the basis for the updated analysis. The analysis takes into account data for GEF-5 projects up to February 28th 2014. In all, 409 GEF-5 proposals are covered in the updated analysis compared to 278 in the OPS-5 analysis. In the graphs presented in this chapter, both the OPS-5 findings and the findings from the updated analysis are shown.

5.2 Findings

PIF Submission to Council Approval

99. The project cycle stages from PIF submission to Council approval include PIF submission, GEF Secretariat's PIF review, PIF clearance, PIF screening by the Scientific and Technical Advisory Panel (STAP), inclusion of the PIF in GEF Council's work program, and PIF approval by the GEF Council. After the Council grants approval to a PIF, the Trustee reserves the amount requested in the PIF for the intended project. Although the GEF Council has not established any standard for the time taken from first submission of a PIF to Council approval, the programming document for GEF-5 (GEF/R.5/31) establishes a 40-day standard for achieving the milestone.

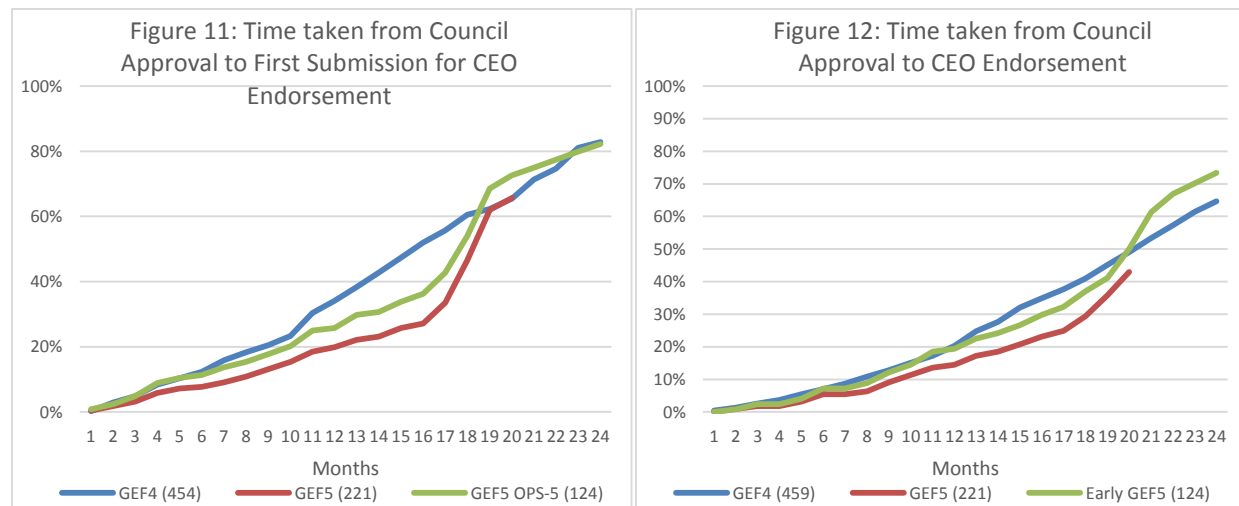


100. Figure 10 presents the cumulative percentage of PIF submissions that achieve Council approval and the time taken. It shows that PIFs rarely achieve Council Approval within two months of first submission. Thus, the GEF-5 programming document target of 40 days is not being met in the large majority of instances. At the same time, performance for this part of the GEF project cycle has

improved from that of GEF-4. Forty-five percent of GEF-5 PIF submissions achieved Council Approval within 6 months of their first submission compared with 34% of GEF-4 PIF submissions. The efficiency gains in this part of the GEF project cycle that were reported in OPS5 are confirmed by the updated analysis.

Council Approval to CEO Endorsement

101. After a PIF is approved by the Council, the respective Partner Agency and project proponents prepare a detailed proposal for CEO Endorsement. During this period, along with meeting other requirements, the project proponents and Partner Agencies are expected to take into account the feedback provided through STAP screening reports, as well as any comments made by the GEF Council at PIF approval. The GEF Council established a business standard of 22 months from Council approval to CEO Endorsement for GEF-4, and subsequently tightened this standard to 18 months for GEF-5.



102. Figure 11 presents the time taken from Council approval of a PIF to the first submission for CEO Endorsement. It shows that of approved GEF-5 project proposals, only 47% were submitted within 18 months for CEO Endorsement. At the 18-month threshold, the performance of GEF-5 projects is worse than for GEF-4, although by 19th month the submission rate for GEF-5 proposals catches up with that of GEF-4.

103. Compared to GEF-4, for GEF-5 projects first submission for CEO Endorsement after Council Approval have been considerably slower for UNDP and UNEP. While UNIDO and World Bank submissions have so far been at the same rate as during GEF-4, the percentage of proposals that were submitted within 18 months was lower than for UNDP (Table 19). In terms of time taken for submission of the 50th percentile proposal, among the agencies only World Bank showed some improvement although its performance on this indicator was either equal to or lower than other agencies.

Table 19: Time taken from Council Approval to first submission for CEO Endorsement, and to CEO Endorsement for GEF-5 projects (GEF-5 tracked up to 20 months)

GEF Agency	Observations	Council Approval to First submission for CEO Endorsement		Council Approval to CEO Endorsement	
		Within 18 months	Time taken by 50 th percentile project (in months)	Within 18 months	Time taken by 50 th percentile project (in months)
UNDP	GEF-5: 86	58%	18	30%	20
	GEF-4: 185	74%	14	47%	19
UNEP	GEF-5: 24	38%	19	29%	—
	GEF-4: 59	61%	16	61%	16
UNIDO	GEF-5: 17	53%	18	18%	—
	GEF-4: 34	53%	17	32%	23
World Bank	GEF-5: 49	43%	19	39%	—
	GEF-4: 102	43%	21	40%	24

104. After a request for CEO Endorsement is submitted, it is appraised by the GEF Secretariat, and in many cases resubmissions are required, which entails additional time before a project proposal is CEO Endorsed. Figure 12 presents the time taken from Council Approval to CEO Endorsement. It shows that the 18-month target for GEF-5 is met only in 29% of cases. This is considerably lower than the performance for GEF-4 projects, both in terms of endorsement rate at the 18-month threshold (41% for GEF-4), and in meeting the respective replenishment period targets (i.e. 18 months for GEF-5, and 22 months for GEF-4). Figure 11 shows that even if all of the GEF-5 requests for CEO Endorsement were endorsed within a day and without resubmission, the 18-month target for CEO Endorsement would still be met in less than half of the instances.

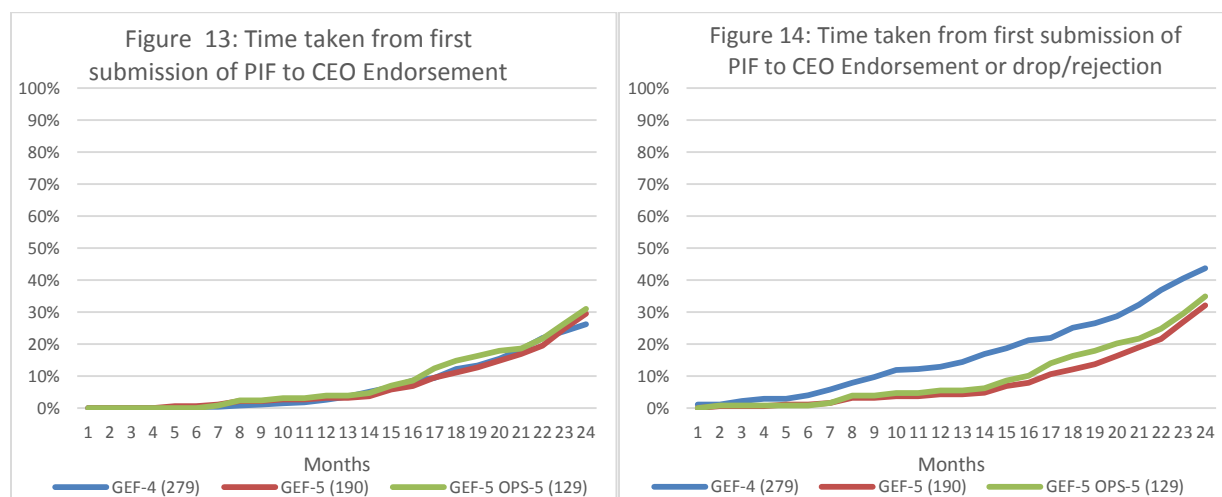
105. The considerable deterioration of performance in terms of time taken from Council Approval to CEO Endorsement, is primarily due to longer time taken by the three UN agencies (UNDP, UNEP and UNIDO) in submitting their proposals for CEO Endorsement in GEF-5 vis-à-vis GEF-6 (table 19). Thirty nine percent of the World Bank GEF-5 proposals were CEO Endorsed within 18 months from Council Approval, which is almost the same as for the GEF-4 period.

PIF Submission to CEO Endorsement

106. The period between first submission of a PIF to CEO Endorsement covers several stages related to project preparation and appraisal. Taking stock of this period – as opposed to focusing more narrowly on the time taken from PIF approval to CEO Endorsement - provides a more complete appraisal of the time required for project proposals to advance through the GEF project cycle. The GEF has not established a specific standard for the time it should take from the point of first submission of a PIF to CEO Endorsement.

107. Figure 13 presents a comparison of the PIF submissions during GEF-4 and GEF-5 that could be tracked for 24 months, as of February 28th 2014. It shows that 30% of GEF-5 PIF submissions for full-size projects were CEO Endorsed within two years of the first submission for PIF approval, compared

to 26% in GEF-4. This confirms the OPS-5 finding that overall there has been a slight improvement at the two year threshold.²¹



108. Figure 14 takes stock of another dimension of performance – timeliness in terms of determining the eventual status – i.e. either CEO Endorsement or rejection/drop of a proposal. The intent in taking into account the Endorsement and also rejection/drop simultaneously is to ascertain GEF’s ability to take decisions in a timely manner. The data shows that the time required to determine the eventual status of PIF submissions in terms of whether a project proposal achieves CEO Endorsement or is rejected / dropped during preparation or appraisal was shorter during GEF-4 than in GEF-5. A greater percentage of the GEF-5 project proposals tended to linger in the pre-Endorsement stages than the GEF-4 proposals.

Other updates

109. Table 20 presents updated data on the time taken at different stages of the appraisal process by 25th, 50th and 75th percentile project proposals. In terms of time taken from PIF submission to CEO Endorsement, performance in GEF-5 is very similar to that of GEF-4. The table confirms that in general, GEF-5 proposals require less time to advance from PIF submission to Council Approval than did GEF-4 proposals. GEF Secretariat’s response time for GEF-5 PIF submissions seems to be slightly slower than GEF-4. However, Secretariat’s response time for requests for CEO Endorsement of GEF-5 proposals is slightly swifter than in GEF-4. In summary, the time taken by the Partner Agencies from Council Approval to first submission of request for CEO Endorsement is an area that is confirmed as a major concern within the project appraisal and preparation period.

²¹ Using a smaller dataset, the OPS-5 project cycle analysis reported that 31% of GEF-5 PIF submissions for full-sized projects were CEO endorsed within two years of first submission for PIF approval.

Table 20. Time taken during different stages of the project appraisal process.

GEF Replenishment Period	GEF-5 (<i>figures reported in OPS-5 are provided in parentheses</i>)			GEF-4		
Percentile	25%	50%	75%	25%	50%	75%
PIF Submission to CEO Endorsement (in months)	23 (22)	—	—	22	28	43
PIF submission to Council Approval (in months)	2.9 (2.8)	6.2 (6.3)	13 (17)	4.3	7.6	13
PIF submission to Clearance (in months)	1.2 (1.0)	4.0 (4.2)	9.5 (14.7)	1	3.9	12.6
Clearance to Council Approval (in months)	1.6 (1.6)	1.7 (1.7)	1.9 (1.9)	1.9	2.2	3.4
Response time to PIF Submission (in work days)	3 (3)	8 (8)	13 (13)	2	6	12
Council Approval to CEO Endorsement (in months)	17.5 (14.7)	20.0 (19.7)	—	12.1	18.1	23.9
Council Approval to First Submission to Endorsement (in months)	16.1 (12.1)	18.2 (18.0)	—	9.5	13.7	20.3
Back-and-forth for CEO Endorsement – i.e. first submission for CEO Endorsement to CEO Endorsement (in months)	1.9 (1.9)	3.1 (3.1)	5.2 (5.2)	1.7	2.8	4.8
Response time to CEO Endorsement Submission (in work days)	6 (6)	10 (10)	15 (15)	7	11	22

6. Effect of Co-Financing on Project Cycle

6.1 Background

110. The Fifth Overall Performance Study (OPS-5) of the GEF found that the co-financing²² of GEF projects - whether measured as the ratio of total promised co-financing to total GEF grant or as the median ratio of promised co-financing to GEF grant in project proposals - has increased from GEF-3 to GEF-5. It also concluded that while other factors such as economic development in the recipient countries and the evolution of the GEF portfolio were likely to be contributing to the increase in co-financing, much of the increase was due to an increased focus on the maximization of co-financing during the project appraisal process. The Study reported that although GEF stakeholders agree that co-financing is useful in bringing new resources to GEF projects, increasing country ownership, and raising the likelihood for follow up activities, they also feel that greater transparency is needed in the application of co-financing requirements, and a more balanced perspective is required to acknowledge the costs involved in such an approach. These costs include additional time and resources spent in mobilizing co-financing.
111. During the third meeting of the GEF-6 replenishment in Paris, several participants requested the GEF Independent Evaluation Office to examine the effects of co-financing on project preparation time. Given the methodological challenges due to the limited availability of information, it is difficult to address the replenishment group's request comprehensively in a short span. However, available information allows for some aspects of the Replenishment Group's request to be addressed in this report. The analysis presented in this chapter provides additional information on co-financing and its effect on the GEF project cycle, building on the OPS-5 study. The analysis presented here examines the effect that requests by the GEF Secretariat for additional co-financing – made during the PIF review process – have on the level of promised co-financing, and whether such requests also affect the time spent by project proposals in gaining PIF Clearance and Council approval. The analysis presented in this chapter is also aimed at providing additional inputs to the working group that has been established to update the GEF policy on co-financing.
112. The analysis shows that during the Project Information Form (PIF) review process, and for the GEF-5 project proposals covered in the analysis, the Secretariat requested additional co-financing in 54% of the project proposals. Requests for additional co-financing from the Secretariat led to, on average, a 12% increase in promised co-financing. However, the proposals for which Secretariat requested higher co-financing took on average 38 more days than other projects in attaining PIF clearance (or 43 more days in achieving Council Approval). Among the focal areas, project proposals for the Chemicals focal area seem to have undergone greater scrutiny for co-financing. During the PIF appraisal process, compared to other focal areas the proposals from the Chemicals focal area show greater average increase in co-financing along with higher PIF rejection rates that may be linked to level of promised co-financing in PIFs.

²² The GEF Council paper on co-financing (GEF/C.20/6/Rev.1), approved in 2003, defines co-financing as “project resources that are committed by the GEF agency itself or by other non-GEF sources and which are essential for meeting the GEF project objectives.”

6.2 Methodology

113. This study covered all GEF-5 proposals for full-sized projects, where first submission of a PIF was made on or prior to June 30, 2012, and included rejected or dropped projects. The data gathered for this analysis came from PMIS and a survey of the GEF Secretariat's review sheets for each of the GEF-5 full size project proposals. In all, 392 FSPs for which PIFs had been submitted were considered. Of these, 309 projects achieved Council Approval during the one year period tracked by the analysis. The analysis is limited to the PIF review stage of the project cycle as it is during this stage that the Secretariat assesses project eligibility based on several criteria including the level of promised co-financing. Within the PIF review stage, the analysis focused on the time taken from the first PIF submission to PIF Clearance and to Council Approval. Both of these mile stones have been used to check the sensitivity of results.
114. The term “comment” used in the presented analysis refers only those instances where the GEF Secretariat asked for more co-financing. For the sake of brevity the term has been used as an abbreviation for the full expression (i.e. a PIF submission or resubmission where the GEF Secretariat asked for more co-financing).
115. The approach adopted for assessing the effects that requests for additional co-financing have on the project cycle has its limitations. First, project proponents and Partner Agencies may respond to the GEF Secretariat’s attention to co-financing prior to the first submission of a PIF. In such situations, the effort spent in anticipation will not be reflected in the analysis. In addition, requests from the Secretariat to increase co-financing are likely to be related to the Secretariat’s assessment that the proposed co-financing is low. Therefore, the proposals for which the Secretariat does not provide such requests are not identical to the projects where the Secretariat explicitly asks for more co-financing. Therefore, the two groups constitute a comparison group, and not a control or experimental group. To some extent the differences between the comparison groups were mitigated by use of multi-linear regression model to estimate net effects.

6.3 Findings

Secretariat’s request for increase and actual increase in promised co-financing

116. Of the 309 GEF-5 PIFs that got Council Approval within a year, for 166 (54%) the GEF Secretariat requested an increase in co-financing during the PIF review process. Table 21 presents the changes in promised co-financing in PIFs, from their last Secretariat review to their subsequent resubmission, based on whether the Secretariat asked for more co-financing in its PIF review. It shows that, for projects in which the Secretariat asked for more co-financing, the level of co-financing increased by 12% from the first submission to Council Approval. For proposals in which the GEF Secretariat did not make such a request, the level of net co-financing remained the same.

Table 21: Changes in promised co-financing in projects.

Review iterations	Number of project proposals		Percentage increase in co-financing at the portfolio level	
	# of projects that have been approved	# of approved projects with comments	Approved projects without comments	Approved projects with comments
From 1st to 2nd PIF submission	309	150	-1%	10%
From 2nd to 3rd PIF submission	141	53	0%	16%
From 3rd to 4th PIF submission	53	19	-1%	10%
From 4th to 5th PIF submission	16	5	2%	3%
From 1st PIF to Council Approval	309	166*	0%	12%*

* With a comment to raise co-financing on any submission between the first PIF submission and Council Approval.

117. Table 19 presents the percentage of projects that gained co-financing between submissions, differentiated by the presence or absence of co-financing comments. It shows that, for the project proposals where the Secretariat requested an increase in co-financing, a majority (73%) record an increase in promised co-financing. In comparison, of the project proposals for which the Secretariat did not request an increase in co-financing, a considerably lower percentage saw an increase in co-financing (20%). This shows that, in general, the Partner Agencies and project proponents respond to the co-financing related requests of the Secretariat.

Table 19: Distribution of submission-by-submission increases in project co-financing.

Review iterations	Projects without comments			Projects with comments		
	Projects with no increase in co-financing	Projects with increase in co-financing	Total	Projects with no increase in co-financing	Projects with increase in co-financing	Total
From 1st to 2nd PIF submission	136 (86%)	23 (14%)	159	53 (35%)	97 (65%)	150
From 2nd to 3rd PIF submission	73 (83%)	15 (17%)	88	18 (34%)	35 (66%)	53
From 3rd to 4th PIF submission	27 (79%)	7 (21%)	34	9 (47%)	10 (53%)	19
From 4th to 5th PIF submission	9 (82%)	2 (18%)	11	1 (20%)	4 (80%)	5
From 1st PIF to Council Approval *	115 (80%)	28 (20%)	143	45 (27%)	121 (73%)	166

* With a comment to raise co-financing on any submission between the first PIF submission and Council Approval.

Effect of Secretariat's request for more co-financing on project cycle

118. As also noted earlier, the project proposals that did not receive any comment asking for an increase in co-financing may not be treated as a control group for those that did. Rather, these two groups of proposals constitute comparison groups, and the net differences in the time taken and submissions required are indicative. Nonetheless, the patterns that emerge are consistent with the hypothesis that focus on cofinancing results in greater time taken for project preparation. Requests for higher co-financing is associated with additional time spent in the project appraisal process and a greater number of submissions needed for PIF clearance or approval. Project proposals with co-financing comments took on average 38 additional days to reach PIF Clearance (or 43 additional days to reach Council Approval) than proposals without Secretariat comments (Table 23). Similarly, proposals for which a request for increase in co-financing was made required on average an

additional submission (0.6) to reach Council Approval than proposals without comments (Table 23). Depending on the variables that are controlled for, the estimates generated through linear regression models show that the effect of request for increase in cofinancing on additional time taken for PIF clearance is in the 20 to 30 day range. However, when the effect is estimated for the projects that actually increased co-financing – which may be used as a proxy for the project proponents actually making an effort to increase cofinancing – the estimate of additional days to PIF clearance increases to the 60 to 80 day range.

Table 23: The effect co-financing comments have on both the time and the number of PIF revisions needed to reach Council Approval (figures for PIF Clearance in parenthesis).

Request for increase in co-financing	Number of projects	Average number of days taken from 1 st PIF submission to Council Approval (or to PIF Clearance)	Average number of PIF submissions made get PIF Clearance / Council Approval
No comments to raise co-financing	143	151 (94)	2.1
With comment(s) to raise co-financing*	166	194 (132)	2.7
Net difference	—	43 (38)	0.6

* With any comment requesting an increase in co-financing on any PIF submission.

119. Secretariat's feedback asking for an increase in co-financing does not seem affect countries uniformly in terms of the additional time required for Council Approval (or PIF Clearance). Proposals from some countries took more time to achieve PIF Clearance when Secretariat requested an increase in co-financing, while proposals from other countries were not as affected. However, since number of observations decreases significantly at that disaggregated level only tentative inferences may be drawn. Global projects, which tend to involve several countries and agencies, and projects in Latin America and the Caribbean tend to take much longer when they receive feedback from the Secretariat asking for an increase in co-financing. Among the focal areas, proposals from Biodiversity and Chemicals projects showed the significant increases in time needed.

Differences across major country groups

120. Differences among project proposals from different regions and country characteristics were examined. Table 24 presents differences across country groups in terms of the percentage of proposals receiving GEF Secretariat requests for an increase in co-financing; the percentage of proposals that increase co-financing following a request; and the average increase in co-financing among proposals that received requests for increases in co-financing. The table shows some interesting results. For example, project proponents from Africa and countries classified as "fragile" were less likely to increase co-financing in response to Secretariat's request, but were likely to have relatively moderate PIF rejection rates. Thus, Secretariat does seem to have some level of calibration based on country circumstances in its approach to seeking more co-financing. The request for an increase in co-financing appears to be most effective on proposals from Latin American and Caribbean countries and SIDS.

Table 24: Co-financing from the 1st PIF submission to Council Approval, categorized by country group.

Country Groups	Number of project proposals	Percentage of proposals that received requests for increase in co-financing (any PIF submission)	Percentage of projects that increased promised co-financing in response to Secretariat's request	Average increase in co-financing from first submission of PIF to Council Approval, among proposals that received requests for more co-financing	PIFs rejected for low co-financing (as percentage of total submission)
All projects	309	54%	73%	12%	7%
Asia	9	52%	73%	21%	8%
Africa	83	52%	63%	6%	5%
ECA	47	60%	75%	5%	11%
LAC	63	52%	79%	26%	3%
\$.04-23 billion GDP	65	52%	68%	20%	5%
\$ 24-121 billion GDP	64	50%	66%	-2%	5%
\$ 122+ billion GDP	129	58%	76%	14%	8%
LDC	66	42%	71%	8%	6%
Lower income	77	57%	68%	24%	5%
Upper income	115	60%	74%	9%	7%
SIDS	19	47%	78%	34%	5%
LLDC	54	54%	69%	16%	8%
HIPC	59	42%	64%	1%	3%
Fragile	34	50%	47%	-5%	7%
None of the above	141	57%	73%	14%	7%
National	258	55%	72%	13%	6%
Regional	30	43%	69%	10%	8%
Global	21	57%	92%	10%	7%

Focal area differences in project appraisal

121. A lower percentage of Land Degradation (42%) and Climate Change (45%) project proposals received feedback requesting an increase in co-financing (table 25). In contrast, nearly two thirds of Chemicals (63%) and multi-focal area proposals (67%) received such feedback. However, while comments in the Chemicals focal area led to an average increase of 45%, for multi-focal area proposals the increase in co-financing was marginal (7%). Fourteen percent of PIFs submitted for the Chemicals focal area were rejected due to low levels of co-financing. Of the projects that received feedback asking for an increase in co-financing, those from the Chemicals focal area were more likely to respond to the request for increasing co-financing both in terms of response rate and average increase. This, combined with the high percentage of Chemicals project proposals that received feedback asking for an increase in co-financing, indicates that among the focal areas the proposals for the Chemicals projects may have undergone greater scrutiny.

Table 25: Co-financing from the 1st PIF submission to Council Approval, categorized by focal area.

Focal Area	Number of project proposals	Percentage of proposals that received requests for increase in co-financing (any PIF submission)	Percentage of projects that increased promised co-financing in response to Secretariat's request	Average increase in co-financing from first submission of PIF to Council Approval, among proposals that received requests for more co-financing	Percentage of PIFs rejected for low co-financing (as percentage of total submission)
All projects	309	52%	73%	12%	7%
Biodiversity	61	51%	77%	28%	1%
Climate Change	116	45%	71%	11%	9%
International Waters	10	50%	80%	9%	0%
Land Degradation	12	42%	80%	32%	0%
Multi Focal Area	76	67%	65%	7%	4%
Chemicals	32	63%	90%	45%	14%

7. Quality of M&E Design and Implementation

122. Project monitoring and evaluation (M&E) systems provide real-time information to managers on the progress made in achieving intended results, and facilitate adaptive management. Effective M&E systems allow for the evaluation of project sustainability and impacts following project closure. They also provide information that is potentially of value for the management of resources at the portfolio level. They are therefore among the key project performance indicators tracked and reported on by the GEF IEO in the APR.

7.1 Ratings Scale

123. As discussed in the methodology section of Chapter 2, M&E systems are assessed in terminal evaluations on two principle dimensions: (1) the design of a project's M&E system, and (2) the implementation of a project's M&E system. A six-point rating scale is used to assess M&E Design and M&E Implementation, with the following categories:

- **Highly satisfactory.** The project had no shortcomings in M&E Design/Implementation.
- **Satisfactory.** The project had minor shortcomings in M&E Design/Implementation.
- **Moderately satisfactory.** The project had moderate shortcomings in M&E Design/Implementation.
- **Moderately unsatisfactory.** The project had significant shortcomings in M&E Design/Implementation.
- **Unsatisfactory.** The project had major shortcomings in in M&E Design/Implementation.
- **Highly Unsatisfactory.** There was no project M&E Design/Implementation.

124. Among projects that have been rated on both M&E Design and Implementation by the GEF IEO or GEF Partner Agency evaluation offices, strong associations are found between the two ratings. That is, projects with M&E Design ratings of MS or higher are more likely than not to have M&E implementation ratings of MS or higher as well, and vice versa. At the same time, project M&E systems can be, and often are, modified and improved upon during project implementation. Similarly, high quality design of project M&E is not a guarantee of high quality M&E implementation.

7.2 Findings

125. Within the GEF partnership there exists a broad consensus that effective M&E systems are essential, both in helping to support the attainment of project-level outcomes, and in helping to facilitate continuous learning and improvements that are reflected in policy and programming changes at the portfolio-level. For example, the 2010 GEF M&E policy states that “GEF projects and programs are more likely to capitalize on their innovative and catalytic role when they are fully integrated with RBM and where management activities are based on feedback from systematic M&E

findings.”²³ UNDP, in their Handbook on Planning, Monitoring and Evaluating for Development Results, notes that “UNDP places great importance on monitoring and evaluation because, when done and used correctly, they strengthen the basis for managing for results, foster learning and knowledge generation in the organization as well as the broader development and evaluation community, and support the public accountability of UNDP.”²⁴ And at the World Bank, M&E is considered an integral component of their ongoing efforts to serve as a results-based organization, including informing the Bank’s modernization strategy.²⁵

126. Nevertheless, translating these aspirations into practice remains a challenge. Figure 15 shows M&E Design and Implementation ratings by GEF phase for the 575 and 537 projects, respectively, where ratings are available to date. As shown, there was substantial room for improvement in the design of M&E systems from GEF-1 phase projects. Improvements in M&E Design were realized to some degree in subsequent phases, climbing to around 65% for the share of projects with M&E Design ratings in the satisfactory range. Ratings on both M&E Design and M&E Implementation have remained more or less steady from GEF-2 onwards, with some 65% of projects having ratings in the satisfactory range. This indicates that around a third of GEF projects from GEF-2 onwards continue to have unsatisfactory M&E design and/or implementation – a finding that was noted in APR 2012 as well.
127. It should be noted that improvements in some aspects of M&E design have been confirmed through three ‘quality at entry’ reviews that were done in FY 2005, 2008, and 2011.²⁶ As reported in APR 2011, compared with projects sampled in FY 2005, subsequent cohorts showed improvements in terms of the percentage of projects meeting minimum M&E requirements for quality of entry as defined by GEF-4 standards. Improvements in M&E design included more widespread use of SMART indicators²⁷ and a larger share of projects specifying targets for objectives and outcomes, and allocation of a separate budget for M&E activities. Improvements, while not large at the portfolio level²⁸, were larger for some GEF Partner Agencies, UNEP in particular. However, there were some areas – such as providing baseline data in project proposals – where progress has been difficult.

²³ GEF EO 2010. The GEF Monitoring and Evaluation Policy 2010. Evaluation Document No. 4, pg 2.

²⁴ UNDP 2012. Handbook on Monitoring and Evaluation for Results. UNDP Evaluation Office, New York, NY. Section 8.1.

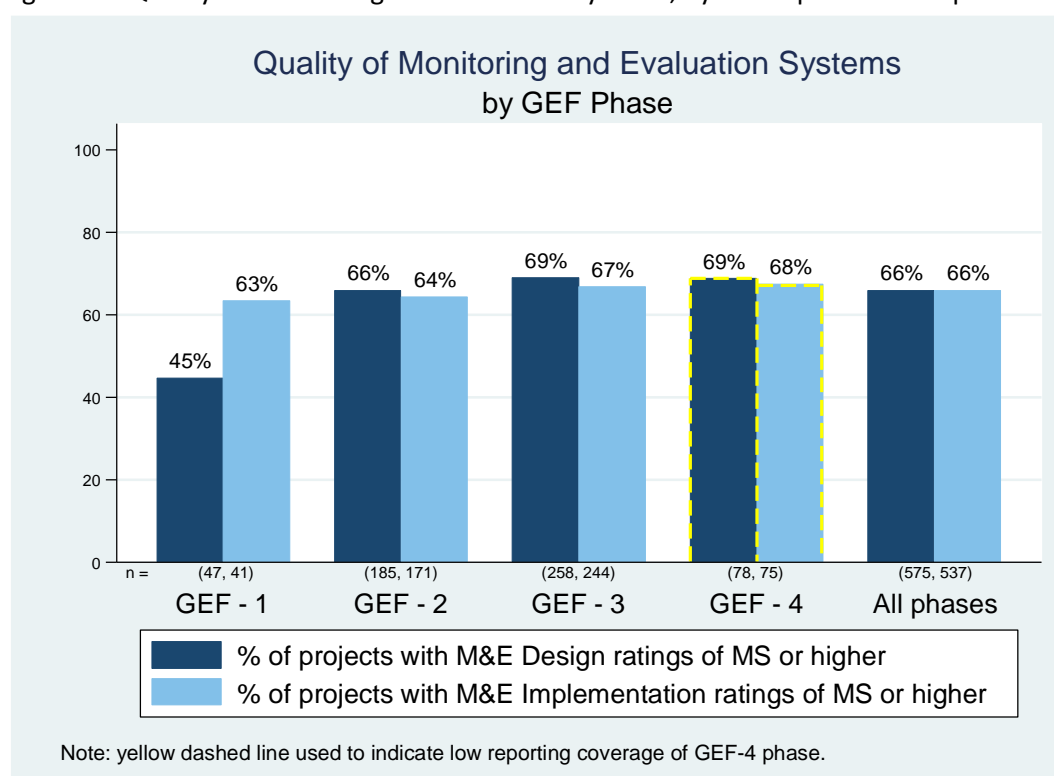
²⁵ World Bank 2012. Update on the Bank’s Business Modernization: Results, Openness, and Accountability Spring 2012. World Bank, Washington DC.

²⁶ These studies examined a sample of FSP project documents that received CEO endorsement: 74 from FY 2005, 82 from FY 2008, and 80 from FY 2011, or 236 FSPs in all.

²⁷ Ibid 6.

²⁸ 80% of sampled projects endorsed by the CEO in FY 2011 were found to be compliant with the minimum requirements for quality at entry as measured by GEF-4 standards, compared with 76% of sampled projects endorsed by the CEO in FY 2008.

Figure 15. Quality of Monitoring and Evaluation systems, by GEF replenishment phase.



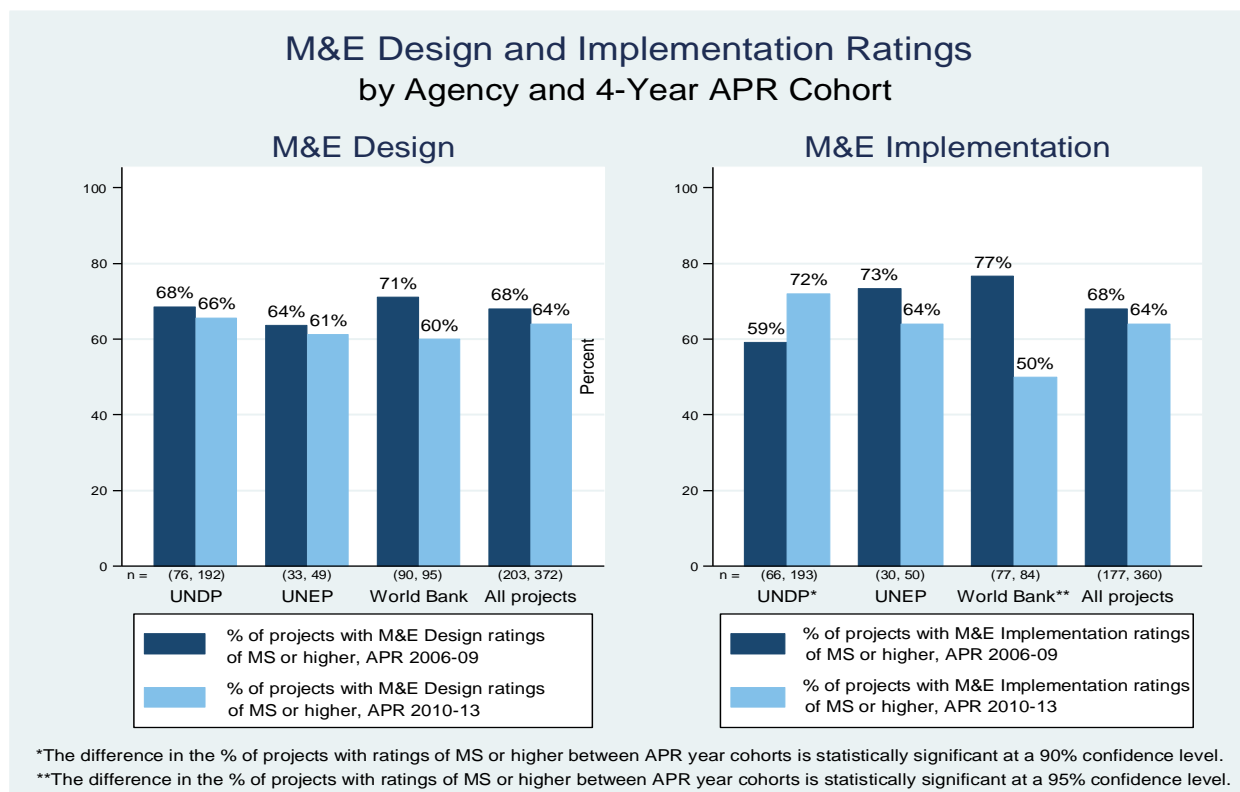
128. At the same time, since inception, the GEF Council has on many occasions worked towards strengthening M&E policies and procedures. Steps taken include approval of the first GEF M&E policy in 2006, and a 2010 revision of the M&E policy for GEF-5 that incorporated findings and recommendations from OPS4. Thus while M&E ratings on completed projects have remained relatively flat at the portfolio level, to some degree these ratings mask a rise over time in the expectations for project M&E systems, and the fact that newer projects have yet to enter in the pool of completed projects under analysis in large numbers.

129. Grouping of M&E ratings by GEF agency reveals shifts in ratings not seen at the portfolio level. As shown in Figure 16, for the two most recent 4-year APR cohorts, M&E design ratings have moved only slightly for UNDP and UNEP, with a more pronounced decline in ratings for World Bank implemented projects. The change in World Bank M&E design ratings is not statistically significant. However, between the same 4-year APR cohorts, there have been very substantial shifts in M&E implementation ratings. In particular, a large 13% increase in the share of UNDP projects with M&E implementation ratings in the satisfactory range, and an very large 27% drop in share of World Bank projects with M&E implementation ratings in the satisfactory range. The reasons for this drop are not yet fully understood, although this is consistent with the drops in World Bank IEG outcome and implementation ratings. The underlying reasons need to be explored and analyzed further.

130. To see whether M&E design and implementation performance differs by GEF focal area, Table 26 presents ratings by focal area for all rated projects to date. Climate change projects stand out as having on average higher ratings for M&E design, with around 70% of projects ratings in the

satisfactory range, while ratings for other focal areas are around 60%. The higher M&E design ratings for climate projects is perhaps indicative of the availability of a clear and universal indicator (GHG emissions and reductions) as well as greater international attention upon the best ways to assess and measure progress on the ground. More pronounced differences between focal areas are found in M&E implementation ratings, where again, climate projects stand out as having on average a higher share of projects with ratings in the satisfactory range, together with projects from the land degradation and biodiversity focal areas. Underperforming focal areas in M&E implementation to date include multi-focal area projects, as well as chemical projects. The finding on multi-focal projects is not unexpected given the increased complexity of multi-focal projects, but it does indicate that improving the design and implementation of M&E systems for these projects should be a priority given the increasing prominence of these kinds of projects in the GEF portfolio. At present, no clear explanation is found for the low M&E implementation ratings on chemical focal area projects, although the “foundational”²⁹ nature of a majority of projects completed to date and the small number of completed projects rated so far (21 projects) are some of the plausible explanations for this pattern.

Figure 16. Quality of Monitoring and Evaluation systems, by GEF agency and 4-year APR cohorts.



²⁹ OPS-4 describes foundational projects as those focus on policy, regulatory frameworks, and national priority setting and capacity development. Past work of the Office shows that establishing robust M&E systems for such projects is often challenging. The 2011 APR sub study on quality of impact measurement arrangements of the 55 sampled projects six were eventually excluded from the review because these were assessed to be foundational projects and it was felt that assessing the quality M&E design of these projects for arrangements for impact measurement may not be practical.

Table 26. M&E Design and Implementation ratings by GEF focal area, all rated projects to date.

GEF Focal Area	M&E Design Ratings		M&E Implementation Ratings	
	# of rated projects	% of projects rated ≥MS	# of rated projects	% of projects rated ≥MS
Biodiversity	265	66%	245	68%
Climate Change	140	71%	133	71%
Chemicals[†]	24	58%	21	48%
International Waters	65	60%	60	58%
Land Degradation	33	61%	33	73%
Multi-Focal	48	58%	45	51%
All projects	575	66%	537	66%

[†] Projects shown in the Chemicals focal area are those involving activities under the POPs focal area in support of the implementation of the Stockholm Conventions, and activities in the ozone layer depletion focal area to support implementation of the Montreal Protocol in eligible Countries with Economies in Transition. Prior to GEF-4, these projects were not grouped together in single GEF focal area.

7.3 Best practices in M&E

131. At the inter-agency meeting discussing the preliminary findings of APR 2013, participants requested that APR 2013 include examples of best practices in M&E throughout the GEF partnership. Following this, for APR 2013, a desk review was conducted of all projects covered in APRs to date that have received the highest ratings for M&E design and implementation. This group includes just 14 of the 575 projects rated on M&E design (~2%) and 26 of the 537 projects rated on M&E implementation (~5%). A complete listing of the 40 reviewed projects with highly satisfactory M&E Design and/or M&E implementation ratings is found in Annex D.
132. In terms of attributes, these projects are fairly representative of GEF Partner Agencies and regions - although projects from multifocal area and chemical are not represented in this list. All of the projects are from the GEF-2 through GEF-4 replenishment phases. In addition, more than half of the projects were medium-sized projects (MSPs), which considering that MSPs are only 44% of projects covered in APRs to date, is perhaps reflective of the reduced level of complexity in these projects, and the consequence that design and implementation of effective, high-quality M&E systems is easier to achieve in MSPs compared to FSPs.
133. It's worth noting that all but one of the 14 projects with highly satisfactory M&E design and all but one of the 26 projects with highly satisfactory M&E implementation had overall outcome ratings in the satisfactory range. Indeed, within the APR dataset of completed projects to date, strong associations are found between ratings on outcomes and ratings on M&E. Eighty-eight percent of projects with satisfactory ratings on M&E design had satisfactory ratings on outcomes compared with 73% of projects with unsatisfactory ratings on M&E design. For M&E implementation, the association is stronger. Ninety-two percent of projects with satisfactory ratings on M&E implementation had satisfactory ratings on outcomes compared with 66% of projects with unsatisfactory ratings on M&E implementation. Both rating associations are significant at a 95% confidence level. At the same time, correlation is not causation. It is likely that the factors that lead to better M&E design and implementation also lead to better performance in terms of outcome achievements. Lastly, most (92%) of the projects with highly satisfactory M&E implementation

ratings had high M&E design ratings – satisfactory or highly satisfactory – which is in-line with overall findings at the portfolio level noted in section 7.1.³⁰

134. Review of the 14 projects with outstanding M&E yields some common attributes. First, all of the M&E plans were sufficiently **detailed**, with **clearly defined responsibilities** for monitoring activities, and dedicated budgets for each M&E component. Second, a large number of these M&E designs made provision for the active **participation of stakeholders in M&E** implementation. Among the potential benefits of this approach are increased opportunities for stakeholder buy-in (see example below), as project beneficiaries can more readily see the results of the project in real time, and expanded networks for information gathering and dissemination, with associated gains in efficiency. Lastly, all of the projects with outstanding M&E design had M&E systems that were **integral** to the project's overall design, with processes and indicators that were expected to facilitate adaptive management through the timely provision of relevant information.
135. Some examples of best practices in M&E design among completed projects covered in APRs:
- GEF ID 1043, *Establishing Conservation Areas through Landscape Management in the Northern Plains of Cambodia*, implemented by UNDP. This project's M&E plan is notable in that it was designed prior to the introduction of the 2006 GEF M&E policy. Of particular note is a section on Conservation Impact Monitoring, which is carefully tailored to ensure integrity, transparency, and facilitate stakeholder buy-in. As stated in the project document, *"(i)n the project logframe, the monitoring program is designated a separate component in recognition of its importance, and the necessity of maintaining independence between project activities and their evaluation. This is particularly relevant given that the results of the monitoring program will be used to set reward rates for the incentive scheme. The project recognizes the critical need for quantifiable indicators, not just for management to adapt activities, but to provide a public and transparent process to evaluate project success. Both communities and government need to understand and accept monitoring results for there to be genuine stakeholder buy-in to the project."* (PD, pg 44). All of the M&E activities were listed and explained, and a table was included indicating responsibilities, budgets, and timeframes for each. Moreover, all indicators were SMART and results-oriented.
 - GEF ID 1424, *Indonesia Forests and Media Project*, implemented by the World Bank. The focus of this project was on awareness raising, an often poorly defined outcome which can be challenging to monitor. Nevertheless, this project's M&E system was designed with a clear set of relevant targets and indicators, and an effective methodology for data gathering. Planned M&E activities included daily scans of media coverage and representative surveys that provided baseline and post-intervention assessments. Results from the project's surveys were integral to the project, and played an important role in the development of promotional campaigns. Moreover, many of the project's methodologies were borrowed from those proven and in wide use by the marketing industry.

³⁰ The World Bank rates M&E components using a four-point scale. For this analysis, a WB IEG rating of "High" is considered to correspond to ratings of satisfactory or above.

As far as the size of the budget for M&E, projects with outstanding M&E design exhibited a high degree of variability. For those projects where M&E was not a core output of the project (n=11), the budget for M&E ranged from 2% to 13% of the total project budget. Where establishment of an M&E system was a key output of the project (n=3), the M&E budget ranged from 10% to 33% of the total project budget.

Turning to projects with highly satisfactory M&E implementation ratings, it follows that projects with well-designed M&E plans are more likely to have highly rated implementation of M&E – a finding noted at the beginning of this chapter. At the same time, review of completed projects with outstanding M&E implementation ratings reveals two themes not readily apparent from ratings numbers alone. The first is that many of these projects **made substantive provisions in terms of time and resources for training of stakeholders on the project's M&E system**. These events involved not only those whose responsibility it was to carry out project M&E, but also other stakeholders who were expected to act upon the findings, at least stood to benefit from a deeper understanding of this project component. Secondly, projects with outstanding M&E implementation found ways to **share M&E findings with a broad array of project stakeholders**, often through the use of information management systems providing real-time access to project data, project-specific publications, and stakeholder workshops where findings were discussed. Project evaluations noted that this kind of approach helped to facilitate stakeholder buy-in and knowledge sharing.

136. Some examples of best practices in M&E implementation among completed projects covered in APRs:

- GEF ID 845, *The Greater Berbak Sembilang Integrated Coastal Wetland Conservation Project*, implemented by the World Bank. M&E implementation for this project, which focused on strengthening conservation protections for threatened Indonesian wetlands, is notable for involving a large number of stakeholders, including forest rangers, local NGOs and local villagers in the assessment of biodiversity conditions and threats. To ensure consistent and high-quality M&E, the project provided intensive training on wildlife and monitoring survey techniques to the M&E team. As noted in the project's terminal evaluation, local NGOs are likely to replicate the monitoring approach in nearby parks.³¹ Moreover, because the evaluation of project performance involved project counterparts and partners, it was "easy to discuss priorities and refocus project activities during implementation."
- GEF ID 2402, *Building Capacity for Participation in the Biosafety Clearing House (BCH)*, implemented by UNEP. This project sought to strengthen the capacities of 112 countries to access and use the Biosafety Clearing House – an information repository and knowledge sharing platform established as part of the Cartagena Protocol on Biosafety. With such a large number of country stakeholders, effective implementation of M&E required efficient coordination of monitoring teams and dissemination of M&E findings. This was accomplished through the establishment of a network of regional advisors, on-line open information management and knowledge sharing systems, and regional workshops where participants discussed project strengths and weaknesses, sustainability, and lessons learned.

³¹ Implementation Completion Report, project GEF ID 845, pg. 20.

Such meetings “provided important spaces for group reflection, enhancing adaptive management and learning.” In addition, project experiences and learning were distilled into a project publication to help further knowledge dissemination and broader adoption of best practices.

8. Quality of Terminal Evaluation Reports

137. Terminal evaluation reports provide one of the principle ways by which the GEF Council, management, Agencies, GEF Evaluation Office, and other stakeholders, are able to assess the performance of GEF projects. This assessment facilitates continued learning and adaptation throughout the GEF partnership. The integrity and quality of terminal evaluations is therefore essential to the validity of any findings that may arise from analysis of terminal evaluations.
138. The GEF IEO has been reporting on the quality of terminal evaluations since APR 2004. To date, 693 terminal evaluations have been submitted to the GEF IEO. Of these, 682 have been rated by either the GEF IEO or GEF agency evaluation offices. As noted earlier in this report, year of terminal evaluation completion is used for analysis rather than APR year, as year of terminal evaluation is generally coterminous with the actual preparation of a report. Terminal evaluations are assessed by the evaluation offices of GEF Partner Agencies, the GEF IEO, or both.
139. As noted in chapter two and described in full in Annex B, terminal evaluations are assessed and rated by the GEF IEO based on the following criteria:
- Did the report present an assessment of relevant outcomes and achievement of project objectives in the context of the focal area program indicators, if applicable?
 - Was the report consistent, the evidence complete and convincing, and the ratings substantiated?
 - Did the report present a sound assessment of sustainability of outcomes?
 - Were the lessons and recommendations supported by the evidence presented?
 - Did the report include the actual project costs (total and per activity) and actual co-financing used?
 - Did the report include an assessment of the quality of the project M&E system and its use in project management?
140. Performance on each of these criteria is rated on a six point scale, from Highly Satisfactory to Highly Unsatisfactory. The overall rating for the terminal evaluation is a weighted average of the six sub-ratings, with the first two sub-ratings receiving more weight than the other four (see Appendix B). The evaluation offices of GEF Partner Agencies generally use an identical or comparable approach to the rating of terminal evaluation quality.

8.1 Findings

141. As shown in Figure 17, ratings on the quality of terminal evaluations have remained more or less steady since 2005, with the percentage of TEs rated in the satisfactory range for overall TE quality slightly above 80%. On average, a slightly higher percentage of full-sized project evaluations have ratings in the satisfactory range compared to medium-sized projects, however the difference is only a few percentage points. Of perhaps greater concern are two aspects of TE reporting that have on

average received substantially lower ratings: reporting on project financing and reporting on M&E systems.

142. When considering all rated terminal evaluations completed within the last 8 years, the percentage of TEs with satisfactory ratings on financial reporting and M&E systems is 67% and 63%, respectively, compared to 84% for reporting along other dimensions (see Table 27). The difference in ratings for both reporting dimensions is statistically significant at a 95% confidence level.

Figure 17. Overall TE quality ratings by project size and year of TE completion.

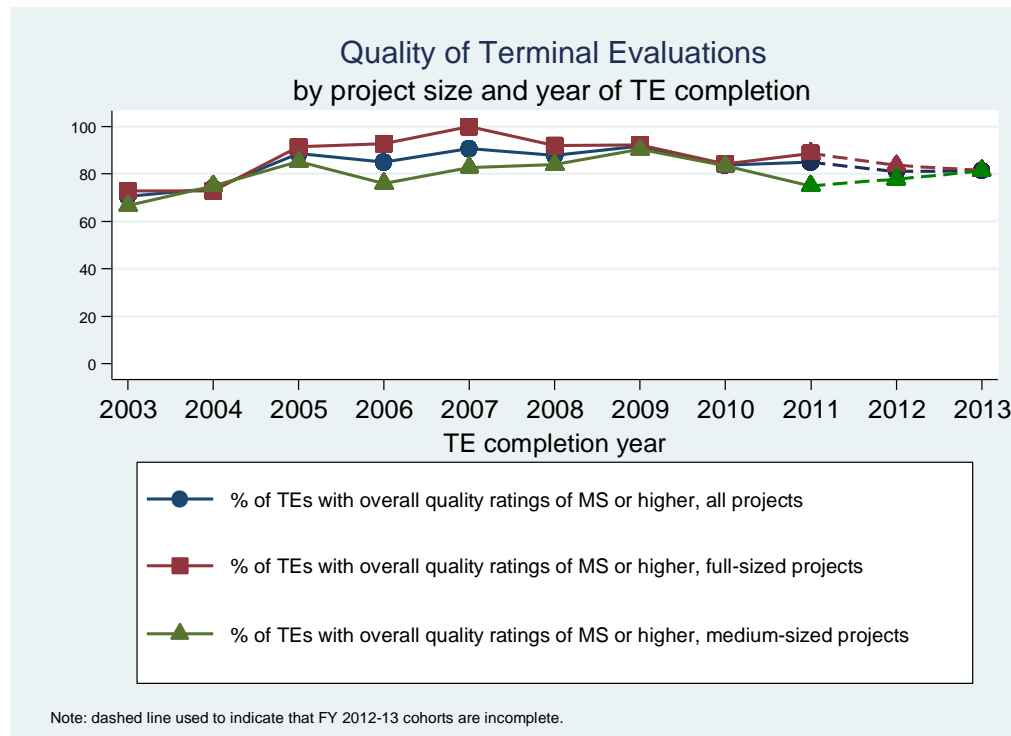


Table 27. Two aspects of TE quality reporting – financial reporting and reporting on M&E systems – that have on average received lower ratings than other reporting dimensions, by 2-year year of TE completion cohorts.

GEF agency	Year of TE Completion				All evaluations
	2006-07	2008-09	2010-11	2012-13	
Financial reporting	51%	71%	71%	73%	67%**
M&E reporting	57%	65%	63%	66%	63%**
All other reporting	83%	91%	84%	80%	84%
Overall TE ratings	88%	90%	84%	81%	86%
# of rated evaluations	106	141	147	159	553

** The difference in the percentage of TEs with satisfactory ratings along this TE quality dimension compared with the percentage of TEs with satisfactory ratings along the other 4 TE quality aspects (reporting on dimensions other than financing and M&E) is statistically significant at a 95% confidence level.

Note: two year TE completion cohorts are used for clarity of presentation – no substantive change is revealed when assessing ratings by single year of TE completion.

8.2 Comparison of ratings from GEF IEO and Evaluation Offices of GEF Partner Agencies

143. In the discussion of APR methodology in Section 2.5, it was noted that several GEF Partner Agencies have independent evaluation offices that provide oversight and review of ratings provided in their agency's respective terminal evaluations. Beginning in 2009, the GEF IEO began accepting ratings from the independent evaluation offices of the World Bank Group, UNEP, and subsequently UNDP. This approach, which reduces duplicative work, follows the GEF IEO finding that ratings from these three evaluation offices are largely consistent with those provided by the GEF IEO (GEF IEO 2009).

144. The GEF IEO continues to monitor the consistency between ratings provided by Agencies' independent evaluation offices and those provided by internal GEF IEO review of terminal evaluations. This is accomplished by GEF IEO review of a random sample of terminal evaluations that have also been reviewed by the evaluation offices of GEF agencies. For the APR 2013 cohort, no less than 1 of every 10 evaluations reviewed by Agency evaluation offices has also been reviewed by the GEF IEO.

145. Table 28 shows how ratings on overall outcomes compare between agency evaluation offices and the GEF IEO, for all projects to date where two sets of ratings are available (146 projects). In general, ratings between the GEF and Partner Agency evaluation offices are largely consistent. For three agencies, a slightly higher percentage of projects were rated in the satisfactory range compared with ratings provided by the GEF IEO. However, the difference is small ($\leq 7\%$) and not statistically significant.

Table 28. Comparison of overall Outcome ratings from independent evaluation offices of GEF Partner Agencies and the GEF IEO for all jointly rated projects, APR 2005-2013

GEF Agency	Number of projects with ratings from both Agency EO and GEF IEO	Percentage of projects rated MS or higher by Agency EO	Percentage of projects rated MS or higher by GEF IEO	Difference in ratings between Agency EO and GEF IEO
ADB	1	100%	100%	0%
UNDP	32	91%	84%	7%
UNEP	40	95%	93%	2%
UNIDO	8	88%	88%	0%
World Bank Group	64	86%	84%	2%
Total	146	89%	87%	2%

146. As noted in Chapter 2, the GEF IEO will consider accepting the ratings provided by the evaluation offices of the other GEF Partner Agencies when there is a sufficient record of ratings on which to compare consistency and when the ratings from the two offices are found to be consistent.

9. Management Action Record

147. The GEF Management Action Record (MAR) tracks the level of adoption, by the GEF Secretariat and/or the GEF Partner Agencies (together here referred to as GEF Management), of GEF Council decisions that have been made on the basis of GEF EO recommendations. The MAR serves two purposes: “(1) to provide Council with a record of its decision on the follow-up of evaluation reports, the proposed management actions, and the actual status of these actions; and (2) to increase the accountability of GEF Management regarding Council decisions on monitoring and evaluation issues.”³²
148. The format and procedures for the MAR were approved by the GEF Council at its November 2005 meeting. They call for the MAR to be updated and presented to the Council for review and follow-up on an annual basis.
149. MAR 2013 tracks 30 separate GEF Council decisions: 21 that were part of MAR 2012, and 9 new decisions that emerged from the November 2013 GEF Council meeting. In addition to GEF Council decisions, since APR 2012 the Evaluation Office has tracked adoption of the decisions of the Least Developed Countries Fund and Special Climate Change Fund (LDCF/SCCF) Council. One decision from the LDCF/SCCF Council’s November 2011 meeting is tracked in MAR 2013.

9.1 Rating Approach

150. For each tracked GEF Council and LDCF/SCCF Council decision, self-ratings are provided by GEF Management on the level of adoption, along with commentary as necessary. Ratings and commentary on tracked decisions are also provided by the GEF Evaluation Office for verification. The rating categories for the progress of adoption of Council decisions were agreed upon through a consultative process of the Evaluation Office, the GEF Secretariat, and the GEF Agencies. Categories are as follows:
- **High:** Fully adopted and fully incorporated into policy, strategy or operations.
 - **Substantial:** Decision largely adopted but not fully incorporated into policy, strategy or operations as yet.
 - **Medium:** Adopted in some operational and policy work, but not to a significant degree in key areas.
 - **Negligible:** No evidence or plan for adoption, or plan and actions for adoption are in a very preliminary stage.
 - **Not rated or possible to verify yet:** ratings or verification will have to wait until more data is available or proposals have been further developed.
 - **N/A:** Not-applicable (see commentary).
151. The Council decisions may be graduated or retired from the MARs for several reasons. When a Council decision is dropped from MAR it may be because of one or more of the following reasons:
- **Graduated** due to high level of adoption of Council decision

³² GEF Council, “Procedures and Format of the GEF Management Action Record.” GEF/ME/C.27/3., GEF Council November, 2005.

- **Retired** as the Council decision has become less relevant, or subsequent Council decisions have made high level of adoption of the decision difficult, or further progress on adoption of the decision is likely to be slow and long drawn.
152. The GEF IEO keeps track of the reasons for removing a decision from the MAR.
153. MAR 2013 tracks management actions on GEF Council and LDCF/SCCF Council decisions based on 15 GEF Evaluation Office documents:
- Annual Performance Report 2006 (GEF/ME/C.31/1, May 2007)
 - Joint Evaluation of the Small Grants Program – Executive Version (GEF/ME/C.32/2, October 2007)
 - Annual Country Portfolio Evaluation Report 2009, (GEF/ME/C.35/1, June 2009)
 - Annual Report on Impact 2009, (GEF/ME/C.36/2, November 2009)
 - Annual Performance Report 2009 (GEF/ME/C.38/4, June 2010)
 - Evaluation of the GEF Strategic Priority for Adaptation (GEF/ME/C.39/4, October 2010)
 - Annual Thematic Evaluations Report 2011 (GEF/ME/C.41/02, October 2011)
 - Evaluation of the Special Climate Change Fund (GEF/LDCF.SCCF.11/ME/02, October 2011)
 - Annual Performance Report 2011 (GEF/ME/C.42/01, May 2012)
 - Annual Country Portfolio Evaluation Report 2012 (GEF/ME/C.42/03, May 2012)
 - Annual Thematic Evaluations Report 2012 (GEF/ME/C.43/02, October 2012)
 - GEF Annual Impact Report 2012 (GEF/ME/C.43/04, October 2012)
 - GEF Annual Impact Report 2013 (GEF/ME/C.45/2, October 2013)
 - Mid-Term Evaluation of the System for Transparent Allocation of Resources (STAR) (GEF/ME/C.45/04, October 2013)
 - Mid-Term Evaluation of the National Portfolio Formulation Exercise (NPFE) (GEF/ME/C.45/06, October 2013)

9.2 Findings

154. Of the 30 GEF Council decisions tracked in MAR 2013, the GEF IEO was able to verify Management's actions on 27 (see Table 29). Five decisions tracked in MAR 2013 will be graduated from the MAR due to high levels of adoption as rated by Management and verified by the GEF IEO. In addition, five decisions tracked in MAR 2013 will be retired from MAR for various reasons.
155. Overall, Management has been very responsive to Council decisions, as evidenced by the large number of decisions that have been graduated due to substantial or high levels of adoption throughout the partnership. Of the 120 Council decisions tracked since commencement of the MAR

in 2006, 71 (59%) have graduated due to high or substantial levels of adoption, while an additional 25 (21%) have been retired – typically because these Council decisions are no longer relevant.

156. Of the 20 decisions tracked in MAR 2013 that have not been graduated or retired this year, 9 are new additions from the November 2013 Council meeting and progress on adoption is ongoing. For the other 11 tracked decisions that have not been graduated or retired, all but 2 show IEO-verified progress in adoption, although not always at the level to warrant a change in ratings. For several of these projects, changes in GEF IEO' ratings is contingent upon adoption of proposed GEF-6 strategy documents.

Table 29. GEF Management and GEF IEO ratings of the 30 tracked Council decisions in MAR 2013.

		GEF IEO ratings					Sum of Management ratings
		High	Substantial	Medium	Negligible	Not rated or possible to verify yet	
Management ratings	High	5	2	1		1	9
	Substantial		1	2			3
	Medium		2	11	1	2	16
	Negligible				1		0
	Not rated						0
	Not applicable				1		2
Sum of GEF IEO ratings		5	5	14	3	3	30

Note: Highlighted cells show agreement between GEF Management and GEF IEO ratings. Values to the right of highlighted cells represent higher ratings by Management than those provided by the IEO, except in cases where a rating of “not rated or possible to verify yet” is given.

GEF Council Decisions with Adoption Rated at a High or Substantial Level

157. Ten decisions tracked in MAR 2013 are rated by the GEF IEO at high or substantial for the level of adoption. Examples include the November 2007 Council decision based on the Joint Evaluation of the Small Grants Program (GEF/ME/C.32/2), calling for strengthening of country program oversight. According to UNDP, the GEF Secretariat, and as verified by the GEF IEO, a process for conflict resolution and addressing complaints has been established, complaints received have been appropriately followed up on and resolved, and an audit approach is now permanently embedded in the SGP programme. Moreover, discussions are now ongoing on ways to further improve and streamline the SGP monitoring system, in-line with the programmatic approach outlined in proposed GEF-6 strategy documents.
158. Other examples of decisions where a high level of adoption has been achieved are three recommendations based on Council review of the mid-term evaluation of the National Portfolio Formation Exercise (NPFE). These include GEF-6 proposals for capacity building initiatives to support a more comprehensive understanding of the GEF in stakeholders at the country level; support for programming exercises at the end of a GEF replenishment phase rather than at the start of a new one; and continued support for the NPFE program. In all three cases, both Management and the GEF

IEO note a high level of adoption, as evidenced by inclusion of related NPFE proposals in GEF-6 replenishment documents that have been accepted by the participants, and ongoing engagement with recipient countries to build off of earlier NPFE experience.

Decisions That Have Shown No Change in Ratings

159. As noted above, the large majority of Council decisions from previous MARs that were not graduated or retired showed progress on the level of adoption, though not always at the level to warrant a change in ratings. Two decisions where no change in ratings is reflective of a lack of forward progress are a June 2012 Council decision requesting that the Secretariat consider ways of making project approval and implementation in SIDS more flexible and context-specific, and a November 2012 decision requesting the Secretariat to adapt a more robust tracking and reporting approach to ensure Partner Agency accountability for collaboration in the South China Sea (SCS) and East Asian Seas (EAS). Regarding the decision on SIDS, Secretariat states that while Partner Agencies are encouraged to pay attention to the specific needs of SIDS in project preparation and implementation, having project cycle procedures specific to SIDS would be unfeasible. Moreover, the World Bank, while agreeing with the Secretariat's rating of "negligible," states that any project cycle simplification for SIDS should also be extended to LDCs and to conflict and fragile states. Regarding the decision on ensuring accountability for collaboration in the SCS and EAS, Management cites a number of platforms designed to help in tracking and sharing information across SCS and EAS projects. However, the GEF IEO finds that the key feature of the Council recommendation – that there needs to be accountability for coordination and communication between Partner Agencies – is thus far absent from the proposals put forward.

Graduated and Retired Decisions

160. As noted above, since the commencement of the Management Action Record in June 2006, the Evaluation Office has tracked the adoption of 120 Council decisions based on recommendations of 35 evaluations. Overall, the GEF has been highly responsive to Council decisions, allowing for an ongoing reform process. Evidence of this reform process is seen in the "High" or "Substantial" level of adoption reached on 71 of the decisions at the time of their graduation (see Table 27). The IEO graduates decisions for which a "High" level of adoption rating has been achieved or those that are considered no longer relevant. To date, 96 (80%) of tracked decisions have been graduated.

161. Five decisions tracked in MAR 2013 have been graduated due to high levels of adoption as rated by Management and verified by the GEF IEO. Another five decisions tracked in MAR 2013 will be retired. Reasons for retirement of these decisions vary and are as follows:

- a 2007 Council decision calling for improved supervision by Partner Agencies during implementation of GEF projects through adequate funding in project fees has been retired as subsequent decisions by the Council make full adoption by Partner Agencies difficult;
- a 2007 Council decision requesting improvements in the quality of terminal evaluation reporting has been retired after a substantial level of adoption was assessed by Management and verified by the GEF IEO and complete adoption is considered by the IEO to be difficult and unlikely;

- a 2009 Council decision requesting that the Secretariat conduct a survey of countries in exceptional situations that limit access to international financial institutions has been retired as Management continues to find the relevant Council decision to be politically impracticable and beyond their remit;
- a 2009 decision calling on the Secretariat to incorporate lessons learned from the positive private sector engagement in projects concerning ozone has been retired as these issues and recommendations are found in OPS-5 recommendations that will be tracked by the IEO;
- a 2012 decision concerning improved engagement of OFPs in project and program M&E has been retired as this issue will be looked at by the GEF IEO as part of a more comprehensive evaluation of the GEF-6 RBM system.

Adoption of STAR evaluation recommendations

162. The “Mid-Term Evaluation of the System of Transparent Allocation of Resources (STAR)” (GEF/ME/C.45/04) stands as an example where significant progress has been made by the management in adopting the Council decisions based on this evaluation. The GEF Council requested the Secretariat to take into account GEF IEO’s recommendations on increasing flexibility for countries in use of STAR resources across focal areas; specification of better indicators and updating of data; and fine tuning of the STAR implementation processes. During the November 2013 Council meeting the Secretariat welcomed the recommendations on specification of better indicators and updating of data as well as fine tuning of the STAR implementation processes, but voiced its concerns against the GEF IEO’s recommendation for increasing flexibility for countries that had marginal flexibility. After the Council meeting, the Secretariat and the IEO discussed the analysis on marginal flexibility presented in the Mid-Term Evaluation of the STAR. This led to an evolution of Secretariat’s position on the topic. The proposal on STAR for GEF-6 that is being developed by the Secretariat extends the full flexibility to additional countries and increases the level of flexibility for countries with marginal flexibility. The Secretariat has also updated the data for several indicators that constitute the GBI and GPI indices. It is also proposing minor modifications in the indices so that they may be improved further. The Secretariat has also undertaken several measures to fine tune the STAR implementation process. These include putting in place a system for STAR allocations by two different staff members and reconciliation of the independently derived results, and fixing the problems in calculations noted in the mid-term evaluation. It is likely that at the end of the process for preparation of STAR proposals adoption of all the Council decisions based on the evaluation would be high.

Adoption of NPFE evaluation recommendations

163. The “Mid-Term Evaluation of the National Portfolio Evaluation Exercise (NPFE)” (GEF/ME/C.45/06) is another example of a recently completed evaluation where the management has already made significant progress in adopting Council decisions. The evaluation led to several Council decisions, which include: continuation of NPFE support in GEF-6; use of the balance of the funds allocated to the NPFE program for helping countries undertake NPFEs for GEF-6; inclusion of capacity development initiatives in final replenishment proposals for improved understanding of the

GEF among partners and stakeholders at the country level; and update the NPFE guidelines to address information needs of the countries. Overall progress on adoption of the Council decisions based on the mid-term evaluation has been substantial. The GEF IEO assesses that the Secretariat has fully adopted all of the Council decisions save for the decision on updating the NPFE guidelines. While the Secretariat has indeed updated the guidelines as requested in the Council's decision, the changes made do not adequately meet the information needs of the countries for programming on topics such as eligibility criteria, co-financing expectations, and funding modalities. The guidance in its present form is too concise to guide the countries on these key topics. Given that the Secretariat is also working on revising the co-financing policy and on streamlining of project cycle, the guidance may need to be updated again once the revisions come into effect.

Adoption of Annual Impact Report 2012

164. The GEF Annual Impact Report 2012 (GEF/ME/C.43/04), which was presented to the Council in October 2012 and reported on the "Impact Evaluation of GEF International Waters Support to the South China Sea and Adjacent Areas" led to several Council decisions. The Council decisions addressed several topics that are central to the GEF approach in the international waters focal area. Some aspects of the decisions were directional and focused on long term processes where progress is difficult to track in a short time frame. On other aspects, where decisions may be tracked easily relevant actions that will facilitate such tracking have not yet been undertaken. For example, progress on the Council decision that the Secretariat should take into account the evaluation findings when screening future proposals submitted for GEF funding in the South China Sea and adjacent areas, may potentially be tracked in the short to medium term. However, since no new international waters project focused on South China Sea has been CEO Endorsed since the evaluation was completed, it is difficult to assess whether the relevant Council decision has been adopted.

Comparison between the Evaluation Office and Management Ratings

165. Management and the GEF IEO are in agreement on the level of adoption for 18 of the 30 decisions tracked in MAR 2013. For 2 decisions, the GEF IEO rating is higher than Management's. For another 3 decisions, the GEF IEO is unable to verify ratings because proposals need additional time to be developed. Excluding the 3 decisions where the IEO is unable to verify ratings, the level of agreement between Management and the IEO is 67% - in-line with that found in MARs from the past three years.

166. The largest gap in ratings provided by Management and the GEF IEO are those rating the level of adoption of a November 2013 Council decision calling for updating of NPFE guidelines. Council requested that the Secretariat update NPFE guidelines to address information needs of countries regarding programming topics such as eligibility criteria, co-financing expectations, and funding modalities. While Secretariat states that NPFE guidelines have been sufficiently updated and rates the level of adoption as "high" for this decision, the GEF IEO finds that several topics, including eligibility criteria and co-financing expectations, have not yet been covered in adequate detail. For

this reason, the GEF IEO rates adoption as “medium,” and the decision will be tracked in next year’s MAR.

Table 30. Council decisions, final GEF EO ratings, and reason for adoption, by MAR year.

Reason for Graduation or Retirement, and final GEF IEO rating							
MAR	Fully Adopted		No Longer Relevant			Total	
	High	Substantial	Medium	Negligible	Not Rated/ Possible to Verify Yet	Not Applicable	
2005	5	15	7	3	-	-	30
2006	5	1	-	-	-	-	6
2007	7	8	-	-	2	-	17
2008	5	-	-	-	-	-	5
2009	5	-	-	-	-	-	5
2010	9	3	4	3	-	2	21
2011	2	-	-	-	-	-	2
2012	-	-	-	-	-	-	0
2013	5	1	1	1	2	-	10
Total	43	28	12	7	4	2	96

Decisions of the LDCF/SCCF Council

MAR 2013 tracks the level of adoption of a single LDCF/SCCF Council decision from the Council’s November 2011 meeting, based on the Evaluation of the Special Climate Change Fund. The Council decision comprises three sub-components, requesting the Secretariat to: (1) prepare proposals to ensure transparency of the project pre-selection process; (2) disseminate good practices through existing channels; and (3) enhance visibility of the fund by requiring projects to identify their funding source. Sub-components 1-2 have been assessed by LDCF/SCCF Management and verified by the IEO as fully adopted (high rating). Actions taken include issuance of a report for GEF Partner Agencies for each pre-selection process, including details of the evaluation committee, and outcome and reasoning concerning the projects in the pre-selection pool; and production of a book on lessons learned from the GEF’s adaptation portfolio to date, along with a knowledge management event at the 2013 UNFCCC COP. Regarding the third sub-component of the Council decision on increasing visibility of the fund, the GEF IEO notes that Secretariat’s outreach efforts have intensified. At the same time, the GEF IEO encourages the Secretariat to prepare a proposal to ensure visibility of the fund in a systematic way. The third sub-component of the 2011 Council decision will be tracked in MAR 2014, while the first two components will no longer be tracked.

167. A complete version of MAR 2013 is available at the GEF Evaluation Office website (www.gefo.org).

10. Performance Matrix

168. The performance matrix presents a summary of the performance of GEF Agencies³³ and the GEF as a whole, across a range of parameters including results, processes affecting results, and M&E. Some of the parameters included in the “performance matrix,” such as Outcome ratings and co-financing, are also covered in the preceding chapters, while others are only reported here. Values presented are two- and four-year averages depending upon the parameter, or in the case of parameters six and eight, assessments of oversight processes and M&E arrangements updated as needed (see below).
169. For APR 2013, some changes have been made to the performance matrix. The median ratio of materialized co-financing per dollar of GEF grant is now reported alongside the ratio of total materialized co-financing to total GEF grant to provide an assessment of the level of co-financing found in a typical GEF project. For reporting on efficiency (parameters 4 and 5), the Performance matrix now reports on the percentage of projects meeting relevant time thresholds rather than on the average length of project extensions and project preparation time.
170. Of the 10 parameters presented in the Performance matrix, based on the additional information on the APR 2013 cohort, values on 6 parameters have been updated. Non-updated parameters include 2, 6, 7, and 8.

10.1 Performance Indicators

171. The ten performance indicators and associated methodology used to arrive at the reported values are as follows:
- Overall Outcome ratings, co-financing, figures on project extensions, and quality of M&E Implementation (parameters 1, 3a, 3b, 3c, 5, 9) are four-year averages (APR 2010-2013). For averages on Outcome ratings, project extensions, and Quality of M&E Implementation, each project is given equal weight. Co-financing figures are reported in two ways: parameters 3a and 3c show the total materialized co-financing to the total GEF grant in the APR 2010-2013 cohort and percentage of total promised co-financing from the APR 2010-2013 cohort that materialized, respectively. Parameter 3b is the median amount of co-financing to GEF grant in the APR 2013 cohort. Percentages and values on individual GEF Partner Agencies exclude projects under joint implementation.
 - Quality of supervision and adaptive management (parameter 2) and Realism of risk assessment (parameter 7) are findings from a 2009 follow-up assessment of project supervision and candor and realism in project supervision reporting first conducted in FY 2006. Forty-seven projects under implementation during FY 2007-2008 were sampled for this review (See APR 2009 for complete details on the methodology used).

³³ There is currently insufficient information to report on the individual performance of GEF Agencies other than UNDP, UNEP, and the World Bank group.

- Parameter 4 shows the percentage of Council Approved project proposals for which the 18-month target for CEO Endorsement was met. The assessment takes into account only those GEF-5 project proposals that have been Council Approved for at least 18 months so that compliance with the standard may be tracked.
- Parameter 5 shows the percentage of completed projects in the APR 2010-2013 cohort that received project extensions of greater than two years. The figures include all projects with and without project extensions for which data on project extensions is available. Values on individual GEF Partner Agencies exclude projects under joint implementation.
- Parameter 6, which assesses the independence and integrity of the process followed by GEF Partner Agencies in conducting terminal evaluations of completed GEF projects and independent review of terminal evaluations (where applicable), are findings from an assessment last updated in FY 2011. Ratings³⁴ were provided on a six-point scale, from Highly Unsatisfactory (HU) to Highly Satisfactory (HS), and separately assessed for full-sized and medium-sized project evaluations.
- Parameter 8 presents finding from an APR 2011 assessment determining the extent to which project M&E design at entry meets critical parameters, as specified in the GEF's 2010 M&E Policy. Values shown are based on 80 full-sized projects randomly sampled from the set of 137 full-sized projects that received CEO endorsement in FY 2011.³⁵ Note that values shown here are different from those presented in Chapter 4 which covers M&E design ratings on completed projects.
- Parameter 10, showing the percentage of terminal evaluations rated moderately satisfactory or above for overall reporting quality, is a two-year average based on the year in which the terminal evaluation was completed, and includes FY 2012-2013.

10.2 Findings

172. As reported in Chapter 3, 82% of completed projects (318 of 386) in the 4-year APR 2010-2013 cohort have overall outcome ratings in the satisfactory range. The percentage of projects with overall outcome ratings in the satisfactory range is nearly identical among the two most recent 4-year APR cohorts. However, differences in outcome ratings within and between the two most recent 4-year APR cohorts are found when ratings are aggregated by GEF Partner Agency. A substantial rise

³⁴ To arrive at overall ratings for the independence and integrity of GEF Partner Agencies in conducting terminal evaluations and terminal evaluation reviews of completed GEF projects, the following six dimensions were evaluated: (1) the extent to which the drafting of the terms of reference is independent of the project management team; (2) the extent to which the recruitment of the evaluator was independent of the project management team; (3) the extent to which the Partner Agency recruited the appropriate evaluator for the project; (4) the extent to which the M&E system provides access to timely and reliable information; (5) the extent to which there was any undue pressure from management on the evaluators regarding the evaluation process (for example, in terms of site selection, selection of informants, confidentiality during interviews, information disclosure, and ratings); and (6) the extent to which the evaluation was subjected to an independent review process.

³⁵ For a complete description of the methodology used please see APR 2011.

in ratings is seen between UNDP-implemented GEF projects between the two 4-year APR cohorts, together with a substantial drop in the ratings of World Bank-implemented GEF projects. As discussed more fully in section 3.2 and Appendix C, the decline in ratings among World Bank implemented projects may be due in part to a change in IEG's approach to the application of its rating criteria for terminal evaluation reviews.

173. An assessment of Partner Agency quality of supervision and adaptive management and “realism of risk assessment” find 85% and 77% of sampled projects, respectively, with satisfactory ratings along these two dimensions. This assessment, last updated in 2009, identified considerable improvements among UNEP projects when compared with findings from the 2006 pilot assessment. For World Bank and UNDP projects, ratings are high in both assessment years.
174. As reported in OPS5, there is general consensus among key stakeholders in the GEF partnership on the utility of co-financing, which is seen to help to bring additional resources to GEF projects, increase country ownership, and increase the likelihood of support for follow-up activities after project closure. At the same time, there are concerns that a focus on maximizing co-financing is engendering some unintended and potentially negative effects. These include creation of disincentives for the proposal of new and innovative approaches where co-financing may be harder to obtain or simply where the potential for global environmental benefits is high but co-financing is low; placing some Partner Agencies and NGOs and CBOs with less access to co-financing at a relative disadvantage to other GEF partners; and increases in the time required to prepare GEF projects. The OPS5 finding provides some context with which to assess the co-financing figures presented in the Performance Matrix.
175. For the most recent 4-year APR cohort, aggregation of realized co-financing figures reported in project evaluations³⁶ finds that five dollars of co-financing were realized for every dollar of GEF grant. This is a large jump from the previous 4-year APR cohort figure of 2.4 dollars of realized co-financing per dollar of GEF grant, and is in-line with trends in co-financing highlighted in OPS5 and APR 2012. Large increases in the total amount of realized co-financing are also evident when co-financing is aggregated by GEF Partner Agency. The amount of realized co-financing per dollar of GEF grant for all UNDP-implemented projects rose from 2.8 to 5.7 between the two most recent 4-year APR cohorts, and from 2.5 to 6.6 for all World Bank-implemented projects. For UNEP, the rise in realized co-financing to GEF grant was smaller, from 1.6 to 1.7.
176. Because average co-financing figures can be influenced by project outliers, the median amount of co-financing – reported under parameter 3b in the Performance Matrix (table 31) – is more reflective of a typical GEF project. Between the two most recent 4-year APR year cohorts, the median amount of realized co-financing to dollar of GEF grant rose from 1.3 to 1.7 dollars.
177. Underlying some of the rise in materialization of co-financing between the two most recent 4-year APR cohorts, there has been an increase in the percentage of promised co-financing realized (parameter 3c), both at the level of the GEF portfolio, and for the three original GEF Partner Agencies. For the GEF as a whole, the percentage of promised co-financing realized rose from 103%

³⁶ Note that the GEF IEO has not verified the co-financing figures reported in terminal evaluations of completed GEF projects.

for projects in APR year cohort 2006-2009 to 123% for projects in APR year cohort 2010-2013. For GEF Partner Agencies and considering the same cohorts, the percentage of promised co-financing realized rose from 130% to 190% for UNDP, from 113% to 118% for UNEP, and from 91% to 101% for the World Bank.

178. The GEF-5 target of 18 months between Council Approval to CEO Endorsement of projects was met in only 29 percent of instances. Among the Partner Agencies, the standard was met in 39 percent cases for World Bank, 30 percent for UNDP, and 29 percent for UNEP. Although the figures for the three historical Partner Agencies are equal to or higher than the GEF portfolio figures, figures for other Partner Agencies are lower. For example, the standard was met for only 18 percent of UNIDO-GEF projects (17 observations).
179. Between the 2 most recent 4-year APR cohorts there has been a substantial decline in the percentage of projects requiring extensions of more than 2 years. For the GEF as a whole, the percentage declined from 38% to 11%; for UNDP the percentage declined from 65% to 9%; for UNEP the percentage declined from 24% to 16%, and for the World Bank the percentage declined from 20% to 7%. This is reflective of the GEF Agencies becoming timelier and probably more efficient in completion of project activities. Although the reasons for this improvement are not well understood, anecdotal evidence shows that it may be related to
180. A 2011 assessment of the independence and integrity of process followed by GEF Partner Agencies in conduction terminal evaluation and independent review (where applicable) of terminal evaluations (parameter 6) rates these processes as satisfactory for the GEF overall, and highly satisfactory for UNDP, UNEP, and the World Bank. The Independent Evaluation Group (IEG) of the World Bank does not review medium-sized project evaluations, and therefore of “not applicable” was assessed for the IEG’s review of MSP terminal evaluations.
181. A 2011 assessment of project M&E arrangements at entry found 80% of sampled projects to be compliant with critical M&E parameters, as defined by GEF-4 standards. This compares with 58% compliance of sampled projects from FY 2005 and 76% compliance in sampled projects from FY 2008 (for the full report, see APR 2011). Improvements in M&E design included more widespread use of SMART indicators and a larger share of projects specifying targets for objectives and outcomes, and allocation of a separate budget for M&E activities. However, there were some areas – such as providing baseline data in project proposals – where progress has been difficult.
182. As reported in Chapter 7, around a third of completed GEF projects continue to have unsatisfactory ratings on M&E design and/or M&E implementation. Between the two most recent 4-year APR cohorts, the percentage of projects with M&E implementation ratings declined from 68% to 64% overall. For the three historical GEF Partner Agencies, M&E implementation ratings rose from 59% to 72% for UNDP; declined from 73% to 64% for UNEP; and declined from 77% to 50% for the World Bank. Differences in ratings between cohorts are statistically significant at a 90% confidence level for the rise in ratings among UNDP projects, and statistically significant at a 95% confidence level for the decline in ratings among World Bank projects. The reason for the decline in M&E implementation ratings among World Bank projects is not well understood, although it may be

linked to the same change in IEG ratings stringency discussed more fully in Chapter 3 and Appendix C.

183. Eighty-one percent of terminal evaluations completed in years 2012-13 are ratings in the satisfactory range for overall reporting quality. By GEF Partner Agency and for the same two completion years, 76% of UNDP evaluations, 100% of UNEP evaluations, and 83% of World Bank evaluations are rated in the satisfactory range for overall reporting quality.

Table 31. Performance Matrix.

Parameter	UNDP	UNEP	World Bank	Overall GEF Performance
Results				
1. Percentage of projects with overall Outcome ratings of moderately satisfactory or higher (APR years 2010-13)	87%	90%	70%	82%
Factors affecting results				
2. Quality of supervision and adaptive management: percentage of projects rated moderately satisfactory or higher (APR years 2007-08)	92%	73%	86%	85%
Reported co-financing				
3a. Reported materialization of total co-financing to total GEF funding (APR Years 2010-13)[†]	5.7	1.7	6.6	5.0
3b. Reported materialization of co-financing to GEF funding – median project value (APR Years 2010-13)[†]	2.1	1.2	1.8	1.7
3c. Reported materialization of co-financing as a percentage of total promised co-financing (APR years 2010-13)[†]	190%	118%	101%	123%
Efficiency				
4. Percentage of projects for which 18 month standard for CEO Endorsement was met (GEF-5)^{††}	30%	29%	39%	29%
5. Percentage of completed projects that require extensions of more than 2 years (APR years 2010-13)	9%	16%	7%	11%
Quality of M&E				
6. Independence of terminal evaluations and review of terminal evaluations (where applicable) (FSPs/MSPs) (APR 2009 assessment, sample of projects under implementation during FY 2007-08)	HS/HS	HS/HS	HS/NA	S
7. Realism of risk assessment (robustness of project-at-risk systems): percentage of projects rated moderately satisfactory or above in candor and realism in supervision reporting (APR years 2007-08)	77%	73%	80%	77%
8. Quality assurance of project M&E arrangements at entry: percentage of projects compliant with critical parameters (for sample of projects endorsed by the GEF CEO in FY 2011)	88%	92%	100%	80%
9. Percentage of projects with M&E Implementation ratings of moderately satisfactory or above (APR years 2010-13)	72%	64%	50%	64%
10. Percentage of terminal evaluations rated moderately satisfactory or above (year of TE completion 2012-13)	76%	100%	83%	81%

[†] Ratios include only projects for which data on realized co-financing is available.

^{††} GEF-5 figures are provisional and run through February 2014.

Annex A: List of Projects included in APR 2013 cohort

GEF ID	Name	Agency	Country	GEF Funding (\$M)	Focal Area ¹	Fund
7	Second Beijing Environment Project	World Bank	China	25	CC	GET
10	Biomass Energy for Rural India	UNDP	India	4	CC	GET
615	Mekong River Basin Water Utilization Project	World Bank	Regional	11	IW	GET
785	Metro Manila Urban Transport Integration Project - Marikina Bikeways Project Component	World Bank	Philippines	1.3	CC	GET
878	Protected Area Management and Wildlife Conservation	ADB	Sri Lanka	10.2	BD	GET
939	CN-GEF-Sustain. Forestry Dev	World Bank	China	16	BD	GET
942	Loc Empowerment & Env Mgmt (FY04)	World Bank	Nigeria	8	BD	GET
969	SEED Biodiversity SIL (FY05)	World Bank	Zambia	4	BD	GET
972	Integrated Management of Critical Ecosystems	World Bank	Rwanda	4.3	MF	GET
1026	Enhancing coverage and management effectiveness of the subsystem of forest protected areas in Turkey's national system of protected areas	UNDP	Turkey	1	BD	GET
1027	Strengthening Governance and Financial Sustainability of the National Protected Area System	UNDP	Ukraine	1.8	BD	GET
1032	Sustainable Management of the Shared Living Marine Resources of the Caribbean LME and Adjacent Regions	UNDP	Regional	7.7	IW	GET
1040	EG-Kureimat Solar Thermal Hybrid	World Bank	Regional	49.8	CC	GET
1061	Inka Terra: An Innovative Partnership for Self-Financing Biodiversity Conservation & Community Development	World Bank	Peru	0.7	BD	GET
1068	Conservation of wetland biodiversity in the Lower Volga region PDS	UNDP	Russian Federation	6.5	BD	GET
1083	VN-GEF DEMAND SIDE Mgmt & ENERGY	World Bank	Vietnam	5.5	CC	GET
1099	Atoll Ecosystem Management & Coral Reef Conservation in the Maldives	UNDP	Maldives	2.4	BD	GET
1105	Efficient Utilization of Agricultural Wastes	ADB	China	6.4	CC	GET
1107	Creating Biodiversity Conservation Landscapes in Nepal's lowland Terai and Eastern Himal Areas	UNDP	Nepal	3.3	BD	GET
1116	Improving the Energy Efficiency of Municipal Heat and Hot Water Supply in Armenia	UNDP	Armenia	3	CC	GET
1123	DBSB: Wetland Restoration and Pollution Reduction	World Bank	Bulgaria	7.5	IW	GET
1136	Wind Energy Applications	UNDP	Eritrea	2	CC	GET
1145	Conservation of Iranian Wetlands	UNDP	Iran	2.9	BD	GET

1149	Removing Barriers to Energy Efficiency in Municipal Heat and Hot Water Supply	UNDP	Kazakhstan	3.3	CC	GET
1163	An Integrated Ecosystem Management Approach to Conserve Biodiversity and Minimize Habitat Fragmentation in Three Selected Model Areas in the Russian Arctic (ECORA)	UNEP	Russian Federation	3	MF	GET
1164	Support to the National Programme of Action for the Protection of the Arctic Marine Environment, Tranche 1	UNEP	Russian Federation	5.9	IW	GET
1167	ZA-GEF Great Addo SIL (FY04)	WB	South Africa	5.5	BD	GET
1173	Protected Areas Management Project	WB	Tunisia	5.3	BD	GET
1175	Conservation of biodiversity in the Albertine Rift Forest Protected Areas	UNDP	Uganda	3.4	BD	GET
1176	Conservation of Biological Diversity through Improved Forest Planning Tools	UNDP	Malaysia	2.3	BD	GET
1178	Sahel Lowland Ecosys Mgmt (FY04)	WB	Burkina Faso	4.5	MF	GET
1179	Energy Efficiency Project	WB	Uruguay	6.9	CC	GET
1188	Combating Coastal Area Degradation and Living Resources Depletion in the Guinea Current LME through Regional Actions	UNDP/UNEP	Regional	20.8	IW	GET
1201	Conserving Marine Biodiversity through Enhanced Marine Park Management and Inclusive Sustainable Island Development	UNDP	Malaysia	2	BD	GET
1206	Natural Resources Management and Poverty Reduction	WB	Armenia	5.1	BD	GET
1235	Renewable Energy-Based Rural Electrification Programme	UNDP	Botswana	3	CC	GET
1237	CN-2nd GEF Energy Conservation	WB	China	26	CC	GET
1240	Removal of Barriers to Energy Efficiency Improvement in the Steel Rolling Mill Sector in India	UNDP	India	7	CC	GET
1248	Reducing Pesticide Runoff to the Caribbean Sea	UNEP	Regional	4.3	IW	GET
1258	Enhancing Conservation of the Critical Network of Sites of Wetlands Required by Migratory Waterbirds on the African/Eurasian Flyways.	UNEP	Regional	6	BD	GET
1259	In-situ Conservation of Crop Wild Relatives through Enhanced Information Management and Field Application	UNEP	Regional	5.8	BD	GET
1260	Sustainable Development of Utility-Scale Wind Power Production	UNDP	Pakistan	3.1	CC	GET
1268	Effective Management of the National Protected Areas System	UNDP	Regional	6	BD	GET
1284	Action Plan for Removing Barriers to the Full Scale Implementation of Wind Power in Mexico (Phase I)	UNDP	Mexico	4.7	CC	GET
1287	Parana Biodiversity Project	WB	Brazil	8	BD	GET
1312	Management and Conservation of Wetland Biodiversity in the Esteros del Ibera	UNDP	Argentina	1	BD	GET
1323	Hai Basin Integr. Wat. Env.Man.	WB	China	17	IW	GET
1346	Integrated assessment and management of the Gulf of Mexico large marine ecosystem	UNIDO	Mexico	4.5	IW	GET

1348	Africa Stockpiles1 MMT GEF (FY07)	World Bank/FAO	Regional	25	MF	GET
1351	NUTRIENT REDUCTION	WB	Hungary	12.5	IW	GET
1362	W KE Int Ecosys Mgmt SIL (FY05)	WB	Kenya	4.1	MF	GET
1426	Development and Implementation of Mechanisms to disseminate Lessons Learned and Best Practices in Integrated Transboundary Water Resources Management in Latin America and the Caribbean	UNEP	Brazil	1	IW	GET
1475	Sapo Natl Park (FY05)	WB	Liberia	1	BD	GET
1503	Fadama 2 Crit Ecosys Mgmt (FY06)	WB	Nigeria	10	BD	GET
1513	Building Sustainable Commercial Dissemination Networks for Household PV Systems in Eastern Africa	UNEP	Regional	0.7	CC	GET
1516	C.A.P.E. Biodiversity Conservation and Sustainable Development Project	WB/UNDP	South Africa	9	BD	GET
1525	Capacity Building for the Implementation of the Cartagena Protocol	WB	Colombia	1	BD	GET
1558	Obtaining Biofuels and Non-wood Cellulose Fiber from Agricultural Residues/Waste	WB/IFC	Peru	1	CC	GET
1571	Eco-Enterprises	WB/IFC	Regional	1	BD	GET
1590	Integrated Community-Based Ecosystem Mgmt (FY04)	WB	Namibia	7.1	MF	GET
1599	Development of a Strategic Market Intervention Approach for Grid-Connected Solar Energy Technologies (EMPower)	UNEP	Global	1	CC	GET
1621	Gansu & Xinjiang Pastoral Develop	WB	China	10.5	MF	GET
1642	Formoso River -- Integrated Watershed Management and Protection	WB	Brazil	0.7	BD	GET
1684	National Performance Assessment and Subregional Strategic Environment Framework in the GMS	ADB	Regional	0.8	MF	GET
1718	Mainstreaming Biodiversity Conservation in production systems in the Juniper Forest Ecosystem	UNDP	Pakistan	1	BD	GET
1721	Conservation of Habitats and Species in Arid and Semi-Arid Ecosystems in Balochistan	UNDP	Pakistan	0.8	BD	GET
1727	Russia: Conserving globally significant biodiversity of Taimyr including its keystone population of wild reindeer: a demonstration	UNDP	Russian Federation	1	BD	GET
1749	LAKE POMORIE CONSV (GEF MSP)	WB	Bulgaria	0.9	BD	GET
1750	Lake Dianchi Freshwater Biodiversity Restoration Project	WB	China	1	BD	GET
1802	Demonstrating and Promoting Best Techniques and Practices for Reducing Health-Care Waste to Avoid Environmental Releases of Dioxins and Mercury	UNDP	Global	11.1	Chem	GET
1855	Com Based Ecosys Mgmt (FY05)	WB	Chad	6	MF	GET
1870	Prevention and Control of Dust and Sandstorm in Northeast Asia	ADB	China, Mongolia	0.5	MF	GET

1907	Natural Resources and Poverty Alleviation Project	ADB	Afghanistan	1	BD	GET
1918	Conservation of the Biodiversity of the Paramo in the Northern and Central Andes	UNEP	Regional	8.2	BD	GET
1999	WCL Demonstration	WB	Kenya	0.8	BD	GET
2020	Strategic Action Programme for the development of the Nubian Sandstone Aquifer in Chad, Egypt, Libya and Sudan.	UNDP	Regional	1	IW	GET
2037	Dashtidzhum Biodiversity Conservation	WB	Tajikistan	0.8	BD	GET
2043	Technology Transfer Networks (TTN) Phase II: Prototype Verification and Expansion at the Country Level	UNEP	Global	2	MF	GET
2092	Coastal Resilience to Climate Change: Developing a Generalizable Method for Assessing Vulnerability and Adaptation of Mangroves and Associated Ecosystems	UNEP	Global	1	BD	GET
2105	Conservation and Sustainable Use of Biodiversity in the Dalmatian coast through greening coastal development	UNDP	Croatia	7	BD	GET
2128	Building Capacity for Effective Participation in the Biosafety Clearing House (BCH) of the Cartagena Protocol	UNEP	Global	4.6	BD	GET
2138	Livestock Waste Management	WB	Regional	7	IW	GET
2140	Removing Barriers to Invasive Plant Management in Africa	UNEP	Regional	5	BD	GET
2175	Support to the Implementation of the Regional Environmental Action Plan in Central Asia	UNEP	Regional	1	LD	GET
2331	Preparing for HCFC Phase out in CEIT's: Needs, Benefits and Potential Synergies with other MEAs	UNDP	Regional	0.7	Chem	GET
2342	Conservation and Sustainable Management of Below Ground Biodiversity, Tranche 2	UNEP	Global	4	BD	GET
2356	Sao Paulo Riparian Forests	WB	Brazil	7.8	LD	GET
2397	Small Wind Energy Development and Promotion in Rural Areas (SWEDPRA)	UNDP	DPRK	0.7	CC	GET
2422	Integration of Ecosystem Management Principles and Practices into Land and Water Management of Laborec-Uh region (Eastern Slovakian Lowlands)	UNDP	Slovakia	1	BD	GET
2499	Productive Uses of Renewable Energy in Guatemala (PURE)	UNDP	Guatemala	2.6	CC	GET
2500	Energy conservation in small sector tea processing units in South India	UNDP	India	1	CC	GET
2508	POPS STOCKPILES MGMT AND DESTRUCTION	WB	Moldova	6.4	Chem	GET
2512	Demonstrating Sustainable Land Management in the Upper Sabana Yegua Watershed System	UNDP	Dominican Republic	4.4	LD	GET
2520	Development of Sub-Regional Environmental Action Plans of the New Partnership for Africa's Development (NEPAD)	UNEP	Africa	1	MF	GET
2526	Promotion of Energy Efficient Cooking, Heating and Housing Technologies (PEECH)	UNDP	Pakistan	1	CC	GET
2537	RENEW ENERGY (GEF)	WB	Armenia	3	CC	GET
2543	KI Adaptation Program Phase II - Pilot Imp	World Bank	Kiribati	1.8	CC	GET

2549	Sst AgroPastor & Land Mgmt	WB	Cameroon	6	LD	GET
2550	Integrated Livestock and Crop Conservation Program	UNDP	Bhutan	0.9	BD	GET
2552	Impl. of Adaptation Measures	WB	Regional	2.1	CC	GET
2608	Second National Communicaiton to UNFCCC	UNDP	India	3.5	CC	GET
2683	Greening the Tea Industry in East Africa	UNEP	Regional	2.9	CC	GET
2700	Implementation of the Sustainable Development Strategy for the Seas of East Asia (SDS-SEA)	UNDP	Regional	10.9	IW	GET
2702	Strengthening and Catalyzing the Sustainability of Nicaragua's Protected Area System	UNDP	Nicaragua	1.8	BD	GET
2723	Mainstreaming Karst Peatlands Conservation Concerns into Key Economic Sectors	UNDP	Bosnia and Herzegovina	1	BD	GET
2740	CACILM CPP: Achieving Ecosystem Stability on degraded land in Karakalpakstan and the Kyzylkum Desert	UNDP	Uzbekistan	1	LD	GET
2743	CACILM CPP: Demonstrating Sustainable Mountain Pasture Management in the Susamyr Valley, Kyrgyzstan	UNDP	Kyrgyzstan	1	LD	GET
2752	Integrating Vulnerability and Adaptation to Climate Change into Sustainable Development Policy Planning and Implementation in Southern and Eastern Africa	UNEP	Regional	1	CC	GET
2774	Community-based Adaptation (CBA) Programme	UNDP	Global	4.5	CC	GET
2780	Second National Communication of Peru to the UNFCCC	UNDP	Peru	1.8	CC	GET
2826	Uruguay Wind Energy Programme (UWEP)	UNDP	Uruguay	1	CC	GET
2832	Mainstreaming Climate Change in Integrated Water Resources Management in Pangani River Basin	UNDP	Tanzania	1	CC	SCCF
2875	Demonstration project for Phasing-out and Elimination of PCBs and PCB-Containing Equipment	UNIDO	Macedonia	1	Chem	GET
2969	Conservation of Aketajawe-Lolobata	WB	Indonesia	1	BD	GET
3044	Open Africa North South Tourism Corridor (OANSTC) Project	WB	Regional	0.5	BD	GET
3049	Piloting Natural Resource Valuation within Environmental Impact Assessments	UNDP	Jamaica	0.5	MF	GET
3052	Enhancing Global Environmental Management in Bhutan's Local Governance System	UNDP	Bhutan	0.5	MF	GET
3070	Developing policy-relevant capacity for implementation of the Global Environmental Conventions in Jordan	UNDP	Jordan	0.5	MF	GET
3126	Establishing an Effective and Sustainable Structure for Implementing Multilateral Environmental Agreements	UNDP	Ghana	0.5	MF	GET
3142	Grid-connected Photovoltaic Project	UNDP	Mexico	1	CC	GET
3152	Achieving Reduction in GHG Emissions through Advanced Energy Efficiency Technology in Electric Motors	UNDP	India	0.3	CC	GET
3154	Coping with Drought and Climate Change	UNDP	Ethiopia	1	CC	SCCF

3156	Coping with Drought and Climate Change	UNDP	Zimbabwe	1	CC	SCCF
3171	Kyrgyzstan: Capacity Building for Improved National Financing of Global Environmental Management	UNDP	Kyrgyzstan	0.4	MF	GET
3173	Meeting the Primary Obligations of the Rio Conventions through Strengthened Capacity to Implement Natural Resources Legislation	UNDP	Lao People's Democratic Republic	0.5	MF	GET
3178	Strengthening National Capacity in Rio Convention Implementation Through Targeted Institutional Strengthening and Professional Development	UNDP	Uzbekistan	0.5	MF	GET
3181	Pollution Reduction through Improved Municipal Wastewater Management in Coastal Cities in ACP Countries with a Focus on SIDS	UNDP	Global	1	IW	GET
3188	Demonstration of Community-based Management of Seagrass Habitats in Trikora Beach, East Bintan, Riau Archipelago Province, Indonesia	UNEP	Indonesia	0.4	IW	GET
3190	Mainstreaming Global Environment in national plans and policies by strengthening the monitoring and reporting system for Multilateral Environmental Agreements in Egypt.	UNDP	Egypt	0.5	MF	GET
3192	Sustainable Management of Endemic Ichthyofauna of the Issyk-Kul Lake Basin	UNDP	Kyrgyzstan	1	BD	GET
3212	Capacity Building on Obsolete and POPs Pesticides in Eastern European Caucasus and Central Asian (EECCA) countries	FAO	Global	1	Chem	GET
3219	Reducing Climate Change-induced Risks and Vulnerabilities from Glacial Lake Outbursts in the Punakha-Wangdi and Chamkhar Valleys	UNDP	Bhutan	3.4	CC	LDCF
3230	CACILM Multicountry Partnership Framework Support Project	ADB	Regional	3	LD	GET
3231	CACILM CPP: Multi-country Capacity Building Project	UNDP	Regional	2.9	LD	GET
3256	Power Sector Policy Reform to Promote Small Hydropower Development in the Republic of Montenegro	UNDP	Montenegro	1	CC	GET
3284	Establishment of Protected Areas (FY08)	WB	Liberia	0.8	BD	GET
3306	LDC/SIDS Portfolio Project: Capacity Building and Resource Mobilization for Sustainable Land Management in Bangladesh	UNDP	Bangladesh	0.6	LD	GET
3316	LDC/SIDS Portfolio Project: Capacity Building for Sustainable Land Management	UNDP	Haiti	0.5	LD	GET
3340	Good Practices and Portfolio Learning in GEF Transboundary Freshwater and Marine Legal and Institutional Frameworks	UNDP	Angola	1	IW	GET
3345	Improved Management and release containment of POPs Pesticides in Nicaragua	UNDP	Nicaragua	0.9	Chem	GET
3356	CPP Namibia: Sustainable Land Management Support and Adaptive Management (CPP NAM SLM SAM)	UNDP	Namibia	7	LD	GET
3360	LDC/SIDS Portfolio Project: Capacity Development for Sustainable Land Management in Seychelles	UNDP	Seychelles	0.5	LD	GET
3415	Identification and Implementation of Adaptation Response Measures in the Drini-Mati River Deltas	UNDP	Albania	1	CC	GET
3417	Adaptation to Climate Change Impacts in Mountain Forest Ecosystems of Armenia	UNDP	Armenia	0.9	CC	GET
3449	SFM: Carbon Benefits Project (CBP): Modeling, Measurement and Monitoring	UNEP	Global	5.5	MF	GET
3523	West Pacific East Asia Oceanic Fisheries Management Project	UNDP	Regional	0.9	IW	GET

3556	Uzbekistan: Enhancement of national strict nature reserves effectiveness by demonstrating new conservation management approaches in Surkhan Strict Nature Reserve	UNDP	Uzbekistan	1	BD	GET
3571	Technical Assistance for Environmentally Sustainable Management of PCBs and Other POPs Waste in the Republic of Armenia	UNIDO	Armenia	0.8	Chem	GET
3675	Improving coverage and management effectiveness of the Protected Area System in Moldova	UNDP	Moldova	1	BD	GET
3679	Economic Analysis of Adaptation Options	UNEP	Global	1	CC	SCCF
3691	Tiger Futures	WB	Global	1	BD	GET
3856	Project for Continued Enhancement of Building Capacity for Effective Participation in the BCH II	UNEP	Global	2.5	BD	GET
3878	GEOFUND 2: Armenia Geothermal Project	World Bank	Armenia	1.5	CC	GET
3914	Mainstreaming Biodiversity Conservation into Territorial Planning Policies and Practices	UNDP	Belarus	1	BD	GET
3928	Global Energy Assessment: Developing Policy Tools for Jointly Reducing Energy Poverty and Greenhouse Gas Emissions	UNIDO	Global	1	CC	GET
3948	Reducing the Carbon Footprint of Major Sporting Events, FIFA 2010 and Green Goal	UNEP	South Africa	1	CC	GET
4017	Enabling paradigm shift on monitoring and assessment within the UNCCD – Piloting the Reporting of the Performance Indicators 2010	UNEP	Global	2.5	LD	GET
4204	Support to the Global Tiger Summit Hosted by the Russian Federation	WB	Russian Federation	0.6	BD	GET
4410	Development of the Guidelines for updating of National Implementation Plans (NIPs) under the Stockholm Convention taking into account the new POPs added to the Convention	UNIDO	Global	0.7	Chem	GET
4514	Greening the COP17 in Durban	UNIDO	South Africa	1	CC	GET

1: BD = Biodiversity; Chem = Chemicals; CC = Climate Change; IW = International Waters; LD = Land Degradation; MF = Multi-Focal.

Annex B. Terminal Evaluation Report Review Guidelines

The assessments in the terminal evaluation reviews will be based largely on the information presented in the terminal evaluation report. If insufficient information is presented in a terminal evaluation report to assess a specific issue such as, for example, quality of the project's monitoring and evaluation system or a specific aspect of sustainability, then the preparer of the terminal evaluation reviews will briefly indicate so in that section and elaborate more if appropriate in the section of the review that addresses quality of report. If the review's preparer possesses other first-hand information such as, for example, from a field visit to the project, and this information is relevant to the terminal evaluation reviews, then it should be included in the reviews only under the heading "Additional independent information available to the reviewer." The preparer of the terminal evaluation review will take into account all the independent relevant information when verifying ratings.

B.1 Criteria for Outcome Ratings

Based on the information provided in the terminal evaluation report, the terminal evaluation review will make an assessment of the extent to which the project's major relevant objectives were achieved or are expected to be achieved³⁷, relevance of the project results, and the project's cost-effectiveness. The ratings on the outcomes of the project will be based on performance on the following criteria:³⁸

- a) **Relevance.** Were project outcomes consistent with the focal area/operational program strategies and country priorities? Explain.
- b) **Effectiveness.** Are project outcomes commensurate with the expected outcomes (as described in the project document) and the problems the project was intended to address (that is, the original or modified project objectives)?
- c) **Efficiency.** Include an assessment of outcomes and impacts in relation to inputs, costs, and implementation times based on the following questions: Was the project cost-effective? How does the project's cost/time versus outcomes equation compare to that of similar projects? Was the project implementation delayed due to any bureaucratic, administrative, or political problems and did that affect cost-effectiveness?

An overall rating will be provided according to the achievement and shortcomings in the three criteria ranging from highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, highly unsatisfactory, and unable to assess.

The reviewer of the terminal evaluation will provide a rating under each of the three criteria (relevance, effectiveness, and efficiency). Relevance of outcomes will be rated on a binary scale: a 'satisfactory' or an 'unsatisfactory' rating will be provided. If an 'unsatisfactory' rating has been provided on this

³⁷ *Objectives* are the intended physical, financial, institutional, social, environmental, or other development results to which a project or program is expected to contribute (OECD DAC 2002).

³⁸ *Outcomes* are the likely or achieved short-term and medium-term effects of an intervention's outputs. Outputs are the products, capital goods, and services that result from a development intervention; these may also include changes resulting from the intervention that are relevant to the achievement of outcomes (OECD DAC 2002). For the GEF, environmental outcomes are the main focus.

criterion, the overall outcome achievement rating may not be higher than “unsatisfactory”. Effectiveness and Efficiency will be rated as following:

- **Highly satisfactory.** The project had no shortcomings.
- **Satisfactory.** The project had minor shortcomings.
- **Moderately satisfactory.** The project had moderate shortcomings.
- **Moderately unsatisfactory.** The project had noticeable shortcomings.
- **Unsatisfactory.** The project had major shortcomings.
- **Highly unsatisfactory.** The project had severe shortcomings.
- **Unable to assess.** The reviewer was unable to assess outcomes on this dimension.

The calculation of the overall outcomes score of projects will consider all three criteria, of which relevance criterion will be applied first - the overall outcome achievement rating may not be higher than “unsatisfactory”. The second constraint that is applied is that the overall outcome achievement rating may not be higher than the “effectiveness” rating. The third constraint that is applied is that the overall rating may not be higher than the average score of effectiveness and efficiency criteria calculated using the following formula:

$$\text{Outcomes} = (b + c) \div 2$$

In case the average score is lower than the score obtained after application of the first two constraints, then the average score will be the overall score. The score will then be converted into an overall rating with mid values being rounded up upwards.

B.2 Impacts

Has the project achieved impacts, or is it likely that outcomes will lead to the expected impacts? Impacts will be understood to include positive and negative, primary and secondary long-term effects produced by a development intervention. They could be produced directly or indirectly and could be intended or unintended. The terminal evaluation review’s preparer will take note of any mention of impacts, especially global environmental benefits, in the terminal evaluation report including the likelihood that the project outcomes will contribute to their achievement. Negative impacts mentioned in the terminal evaluation report should be noted and recorded in section 2 of the terminal evaluation reviews template in the subsection on “Issues that require follow-up.” Although project impacts will be described, they will not be rated.

B.3 Criteria for Sustainability Ratings

Sustainability will be understood as the likelihood of continuation of project benefits after completion of project implementation (GEF 2000). To assess sustainability, the terminal evaluation reviewer will identify and assess the key risks that could undermine continuation of benefits at the time of the evaluation. Some of these risks might include the absence of or inadequate financial resources, an

enabling legal framework, commitment from key stakeholders, and enabling economy. The following four types of risk factors will be assessed by the terminal evaluation reviewer to rate the likelihood of sustainability of project outcomes: financial, sociopolitical, institutional frameworks and governance, and environmental.

The following questions provide guidance to assess if the factors are met:

- **Financial resources.** What is the likelihood that financial resources will be available to continue the activities that result in the continuation of benefits (income-generating activities, and trends that may indicate that it is likely that in future there will be adequate financial resources for sustaining project outcomes)?
- **Sociopolitical.** Are there any social or political risks that can undermine the longevity of project outcomes? What is the risk that the level of stakeholder ownership is insufficient to allow for project outcomes/benefits to be sustained? Do the various key stakeholders see in their interest that the project benefits continue to flow? Is there sufficient public/stakeholder awareness in support of the long-term objectives of the project?
- **Institutional framework and governance.** Do the legal frameworks, policies, and governance structures and processes pose any threat to the continuation of project benefits? While assessing this parameter, consider if the required systems for accountability and transparency, and the required technical know-how, are in place.
- **Environmental.** Are there any environmental risks that can undermine the future flow of project environmental benefits? The terminal evaluation should assess whether certain activities in the project area will pose a threat to the sustainability of project outcomes. For example, construction of dam in a protected area could inundate a sizable area and thereby neutralize the biodiversity-related gains made by the project.

The reviewer will provide a rating under each of the four criteria (financial resources, sociopolitical, institutional, and environmental) as follows:

- **Likely.** There are no risks affecting that criterion of sustainability.
- **Moderately likely.** There are moderate risks that affect that criterion of sustainability.
- **Moderately unlikely.** There are significant risks that affect that criterion of sustainability.
- **Unlikely.** There are severe risks affecting that criterion of sustainability.
- **Unable to assess.** Unable to assess risk on this dimension.
- **Not applicable.** This dimension is not applicable to the project.

A number rating 1–4 will be provided in each category according to the achievement and shortcomings with likely = 4, moderately likely = 3, moderately unlikely = 2, unlikely = 1, and not applicable = 0. A rating of unable to assess will be used if the reviewer is unable to assess any aspect of sustainability. In such instances, it may not be possible to assess the overall sustainability.

All the risk dimensions of sustainability are critical. Therefore, the overall rating will not be higher than the rating of the dimension with the lowest rating. For example, if the project has an unlikely rating in either of the dimensions, then its overall rating cannot be higher than unlikely, regardless of whether higher ratings in other dimensions of sustainability produce a higher average

B.4 Criteria for Assessment of Quality of Project M&E Systems

GEF projects are required to develop M&E plans by the time of work program inclusion, to appropriately budget M&E plans, and to fully carry out the M&E plan during implementation. Project managers are also expected to use the information generated by the M&E system during project implementation to improve and adapt the project to changing situations. Given the long-term nature of many GEF projects, projects are also encouraged to include long-term monitoring plans that measure results (such as environmental results) after project completion. Terminal evaluation reviews will include an assessment of the achievement and shortcomings of M&E systems.

- a) **M&E design.** Project should have a sound M&E plan to monitor results and track progress in achieving project objectives. An M&E plan should include a baseline (including data, methodology, and so on), SMART (specific, measurable, achievable, realistic, and timely) indicators and data analysis systems, and evaluation studies at specific times to assess results. The time frame for various M&E activities and standards for outputs should have been specified. Questions to guide this assessment include: In retrospect, was the M&E plan at entry practicable and sufficient (sufficient and practical indicators identified; timely baseline; targets created; effective use of data collection; analysis systems including studies and reports; practical organization and logistics in terms of what, who, and when for M&E activities)?
- b) **M&E plan implementation.** The M&E system was in place and allowed the timely tracking of results and progress toward project objectives throughout the project. Annual project reports were complete, accurate, and with well-justified ratings. The information provided by the M&E system was used to improve and adapt project performance. An M&E system should be in place with proper training for parties responsible for M&E activities to ensure that data will continue to be collected and used after project closure. Question to guide this assessment include: Did the project M&E system operate throughout the project? How was M&E information used during the project? Did it allow for tracking of progress toward project objectives? Did the project provide proper training for parties responsible for M&E activities to ensure data will continue to be collected and used after project closure?
- c) **Other questions.** This includes questions on funding and whether the M&E system was a good practice.
 - Was sufficient funding provided for M&E — in the budget included in the project document?
 - Was sufficient and timely funding provided – for M&E during project implementation?
 - Can the project M&E system be considered – a good practice?

A number rating 1–6 will be provided for each criterion according to the achievement and shortcomings with highly satisfactory = 6, satisfactory = 5, moderately satisfactory = 4, moderately unsatisfactory = 3, unsatisfactory = 2, highly unsatisfactory = 1, and unable to assess = no rating. The reviewer of the terminal evaluation will provide a rating under each of the three criteria (M&E design, M&E plan implementation, and M&E properly budgeted and funded) as follows:

- **Highly satisfactory.** There were no shortcomings in that criterion of the project M&E system.
- **Satisfactory.** There were minor shortcomings in that criterion of the project M&E system.
- **Moderately satisfactory.** There were moderate shortcomings in that criterion of the project M&E system.
- **Moderately unsatisfactory.** There were significant shortcomings in that criterion of the project M&E system.
- **Unsatisfactory.** There were major shortcomings in that criterion of the project M&E system.
- **Highly unsatisfactory.** There was no project M&E system.

The rating for M&E during implementation will be the overall rating of the M&E system:

Rating on the Quality of the Project Monitoring and Evaluation System = b

B.5 Criteria for Assessment of Quality of Terminal Evaluation Reports

The ratings on quality of terminal evaluation reports will be assessed using the following criteria:

- a) The report presents an assessment of all relevant outcomes and achievement of project objectives in the context of the focal area program indicators if applicable.
- b) The report was consistent, the evidence presented was complete and convincing, and ratings were well substantiated.
- c) The report presented a sound assessment of sustainability of outcomes.
- d) The lessons and recommendations are supported by the evidence presented and are relevant to the portfolio and future projects.
- e) The report included the actual project costs (totals, per activity and per source) and actual co-financing used.
- f) The report included an assessment of the quality of the M&E plan at entry, the M&E system used during implementation, and whether the information generated by the M&E system was used for project management.

A number rating 1–6 will be provided for each criterion according to the achievement and shortcomings with highly satisfactory = 6, satisfactory = 5, moderately satisfactory = 4, moderately unsatisfactory = 3, unsatisfactory = 2, highly unsatisfactory = 1, and unable to assess = no rating.

Each criterion to assess the quality of the terminal evaluation will be rated as follows:

- **Highly satisfactory.** There were no shortcomings in the terminal evaluation on this criterion.
- **Satisfactory.** There were minor shortcomings in the terminal evaluation on this criterion.
- **Moderately satisfactory.** There were moderate shortcomings in the terminal evaluation on this criterion.
- **Moderately unsatisfactory.** There were significant shortcomings in the terminal evaluation on this criterion.
- **Unsatisfactory.** There were major shortcomings in the terminal evaluation on this criterion.
- **Highly unsatisfactory.** There were severe shortcomings in the terminal evaluation on this criterion.

The first two criteria (of all relevant outcomes and achievement of project objectives and report consistency and substantiation of claims with proper evidence) are more important and have therefore been assigned a greater weight. The quality of the terminal evaluation reports will be calculated by the following formula:

$$\text{Quality of the Terminal Evaluation Report} = 0.3 \times (a + b) + 0.1 \times (c + d + e + f)$$

The total number will be rounded and converted to the scale of highly satisfactory to highly unsatisfactory.

B.6 Assessment of Processes Affecting Attainment of Project Outcomes and Sustainability

This section of the terminal evaluation review will summarize the factors or processes related to implementation delays and co-financing that may have affected attainment of project results. This section will summarize the description in the terminal evaluation on key causal linkages of these factors:

- **Co-financing and project outcomes and sustainability.** If there was a difference in the level of expected co-financing and actual co-financing, what were the reasons for it? To what extent did materialization of co-financing affect project outcomes and/or sustainability? What were the causal linkages of these effects?
- **Delays and project outcomes and sustainability.** If there were delays, what were the reasons for them? To what extent did the delay affect project outcomes and/or sustainability? What were the causal linkages of these effects?
- **Country ownership and sustainability.** Assess the extent to which country ownership has affected project outcomes and sustainability. Describe the ways in which it affected outcomes and sustainability, highlighting the causal links.

Annex C. Analysis of Recent Ratings Decline in WB GEF Projects

In section 3.2 it is reported that overall outcome ratings on WB GEF projects, along with ratings on most other performance indicators, have declined substantially in recent years. This decline in ratings is also noted in a recent 2014 WB IEG review examining the World Bank Group's partnership with the GEF.³⁹

The GEF IEO has sought to better understand what may be behind the recent decline in performance ratings of WB GEF projects. One factor that is suggested by ratings data is the possibility that the IEG review of ICRs has changed over time, becoming more stringent in its application of ratings criteria. As shown in Figure A1 below, for most years, ICR ratings and IEG ICR review ratings are more or less in line with one another, particularly when projects are grouped by year of project completion. However, as can be seen in the figure, the gap between ICR ratings and IEG ICR review ratings becomes very large in recent years. The gap in ratings is apparent when aggregating ratings based on year of project completion, or the year that IEG review took place.

Because the ICR and ICR review process – and indeed all project reviews – entails a fair amount of subjectivity, and can be influenced by such events as changes in personnel or management, the possibility that changes in ratings are not reflective of true changes in project performance cannot be fully discounted. Given the very large gap in ratings between ICRs and IEG ICR reviews, it seems likely that some changes in the application of ratings criteria by IEG to ICR reviews may have played a role. At the same time, as is noted in the 2014 WB IEG review, the fact that the decline in ratings for World Bank GEF projects is not found in the World Bank's portfolio of other non-GEF environment-related projects, except those projects approved during the most recent four-year period (approved during FY 2004-07), does suggest that some of the decline in ratings is in fact due to real changes in project performance.

One factor to consider is whether the large spread in outcome ratings between ICR and IEG ICR reviews evident in later years is heightened by the threshold effect of sorting those ratings on a 6-point scale that fall in the satisfactory range (moderately satisfactory and above) from those in the unsatisfactory range (moderately unsatisfactory and below). As shown in figure A2, when outcome ratings from ICR and IEG ICR reviews are plotted using the 6-point ratings, the gap between ratings in recent years is not as extreme.

One final note, in the 2014 WB IEG review, the ratings that are used to report on the overall decline in the performance of WB GEF projects are a mixture of IEG ICR reviews, and IEG PPAR reviews where available. As noted in Section 3.2, because PPARs are evaluating project performance using a different yardstick than ICR reviews or terminal evaluation reviews, these ratings are not used for reporting in the APR. Overall, PPARs of WB GEF projects have tended to have lower ratings than IEG ICR reviews. To see how ratings of ICRs compare with IEG reviews containing ICR reviews and PPAR reviews when available, Figure A3 is shown. The large gap in ratings in recent years is still apparent, however, overall, the gaps in ratings between ICRs and IEG reviews tend to be slightly larger.

³⁹ Ibid 10.

Figure A1. Comparison of overall Outcome ratings from WB GEF ICRs and IEG ICR reviews, by year of project completion (left) and year of IEG review (right).

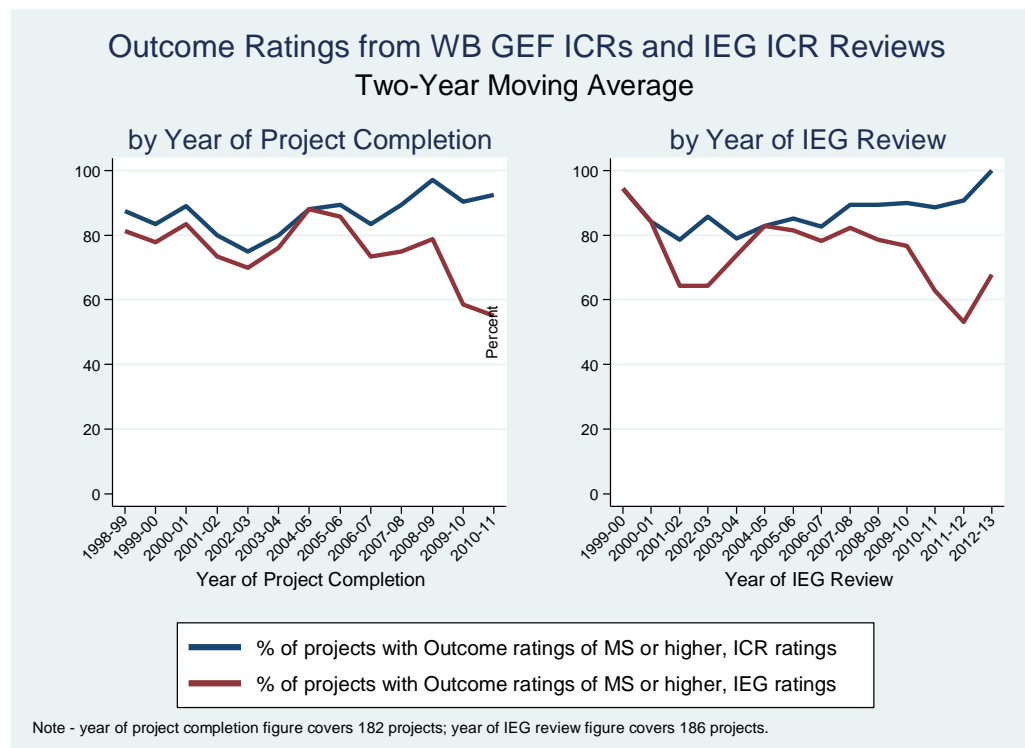


Figure A2. Comparison of overall Outcome ratings on a six-point scale from WB GEF ICRs and IEG ICR reviews, by year of project completion (left) and year of IEG review (right).

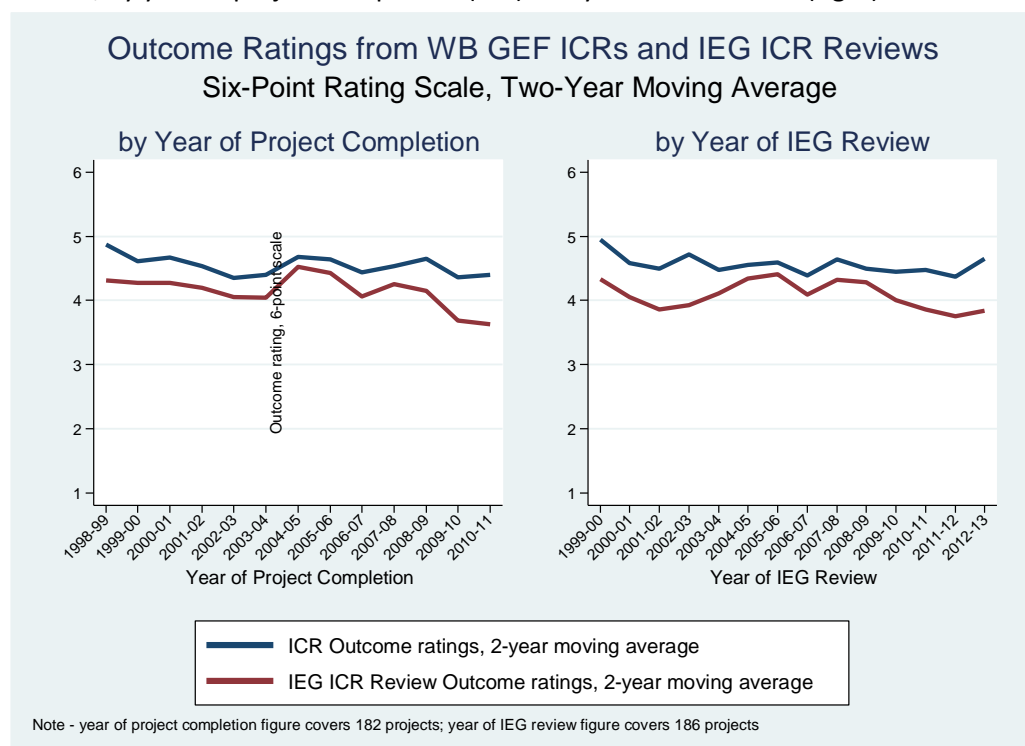
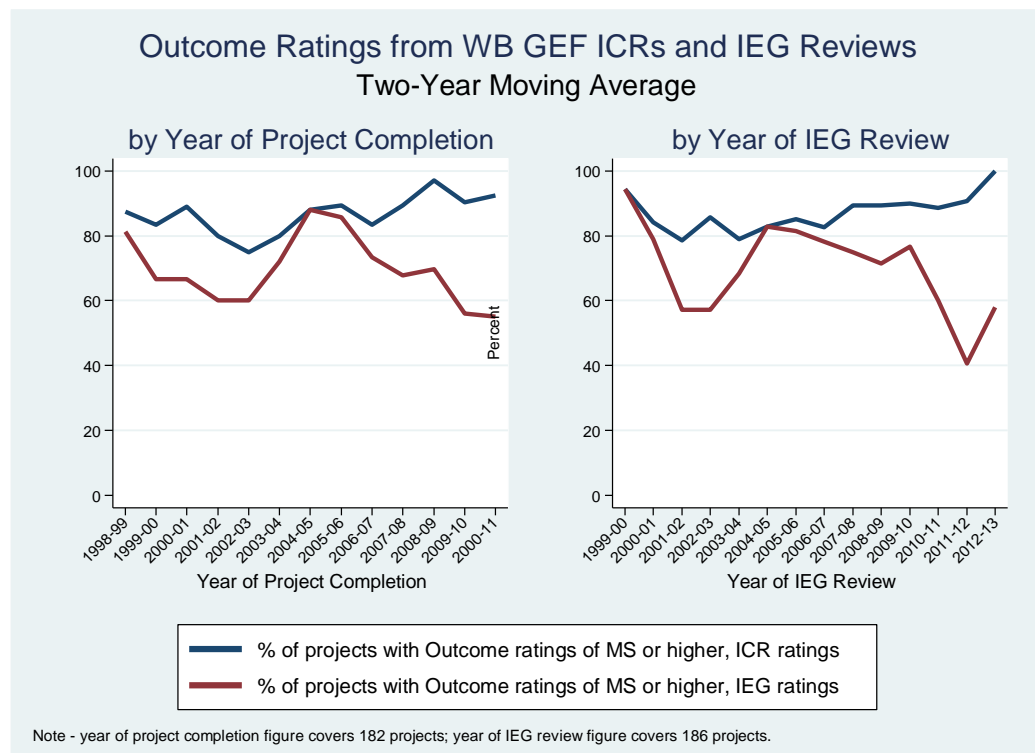


Figure A3. Comparison of overall Outcome ratings from WB GEF ICRs and IEG ICR reviews and PPARs where available, by year of project completion (left) and year of IEG review (right).



Annex D: Projects Representative of Best Practices in M&E

Section 7.3 reports on the findings from a desk study of completed GEF projects to date with highly satisfactory ratings on M&E Design and/or M&E implementation. Following are a list of projects in the APR 2005-2013 year cohort that meet these criteria.

GEF ID	Name	Agency	Country	Focal Area	M&E Design rating	M&E Imp. rating
625	Sustainable Use of Biodiversity in the Western Slope of the Serrania del Baudo	WB	Colombia	BD	HS	HS
845	The Greater Berbak-Sembilang Integrated Coastal Wetlands Conservation Project	WB	Indonesia	BD	S	HS
846	Albarradas in Coastal Ecuador: Rescuing Ancient Knowledge on Sustainable Use of Biodiversity	WB	Ecuador	BD	HS	HS
1020	Conservation and Sustainable Development of the Mataven Forest	WB	Colombia	BD	HS	HS
1034	Strengthening Romania's Protected Area System by Demonstrating Best Practices for Management of Small Protected Areas in Macin Mountains National Park	UNDP	Romania	BD	S	HS
1043	Establishing Conservation Areas through Landscape Management (CALM) in the Northern Plains of Cambodia	UNDP	Cambodia	BD	HS	HS
1045	Biodiversity Protection in North Vidzeme Biosphere Reserve	UNDP	Latvia	BD	S	HS
1081	Peru Lima Transport Project	WB	Peru	CC	S	HS
1136	Wind Energy Applications	UNDP	Eritrea	CC	S	HS
1247	Addressing Land-based Activities in the Western Indian Ocean	UNEP	Regional	IW	S	HS
1248	Reducing Pesticide Runoff to the Caribbean Sea	UNEP	Regional	IW	MU	HS
1336	Promoting Energy Conservation in Small and Medium-sized Enterprises (PECSME)	UNDP	Vietnam	CC	HS	HS
1346	Integrated assessment and management of the Gulf of Mexico large marine ecosystem	UNIDO	Mexico	IW	S	HS
1424	Forests and Media Project (INFORM)	WB	Indonesia	BD	HS	S
1642	Formoso River - Integrated Watershed Management and Protection	WB	Brazil	BD	S	HS
2042	Strengthening the Implementation Capacities for Nutrient Reduction and Transboundary Cooperation in the Danube River Basin (Tranche 2)	UNDP	Regional	IW	HS	Not rated
2128 & 2581	Building Capacity for Effective Participation in the Biosafety Clearing House (BCH) of the Cartagena Protocol	UNEP	Global	BD	S	HS
2194	Developing the Legal and Regulatory Framework for Wind Power in Russia	WB	Russian Federation	CC	S	HS
2402	Sustainable Land Management for Mitigating Land Degradation, Enhancing Agricultural Biodiversity and Reducing Poverty in Ghana	UNDP	Ghana	LD	S	HS

2500	Energy conservation in small sector tea processing units in South India	UNDP	India	CC	HS	HS
2537	Renewable Energy project	WB	Armenia	CC	HS	HS
2571	Distance Learning and Information Sharing Tool for the Benguela Coastal Areas	UNDP	Regional	IW	S	HS
2638	Conservation and sustainable use of globally significant biological diversity in Khazar Nature Reserve on the Caspian Sea Coast	UNDP	Turkmenistan	BD	HS	MU
2739	Building Sustainable Capacity and Ownership to Implement UNCCD Objectives in Latvia	UNDP	Latvia	LD	MS	HS
2836	Conservation and Sustainable use of Biodiversity in the Kazakhstani Sector of the Altai-Sayan Mountain Eco-region	UNDP	Kazakhstan	BD	HS	S
2861	Mainstreaming Biodiversity Conservation into Tourism through the Development and Dissemination of Best Practices	UNEP	Regional	BD	HS	S
3171	Kyrgyzstan: Capacity Building for Improved National Financing of Global Environmental Management	UNDP	Kyrgyzstan	MF	S	HS
3212	Capacity Building on Obsolete and POPs Pesticides in Eastern European Caucasus and Central Asian (EECCA) countries	FAO	Global	Chem	HS	Not rated
3235	CACILM Rangeland Ecosystem Management under CACILM Partnership Framework, Phase 1	UNDP	Kazakhstan	LD	HS	HS
3256	Power Sector Policy Reform to Promote Small Hydropower Development in the Republic of Montenegro	UNDP	Montenegro	CC	S	HS
3415	Identification and Implementation of Adaptation Response Measures in the Drini-Mati River Deltas	UNDP	Albania	CC	S	HS

Annex E: GEF regions defined

The analysis presented in chapters two and three includes ratings on the basis of the region in which GEF project activities take place. Four regions are defined. Below are the countries included in each region:

Africa

Algeria	Gabon	Niger
Angola	Gambia, The	Nigeria
Benin	Ghana	Rwanda
Botswana	Guinea	São Tomé and Príncipe
Burkina Faso	Guinea-Bissau	Senegal
Burundi	Kenya	Seychelles
Cameroon	Lesotho	Sierra Leone
Cape Verde	Liberia	Somalia
Central African Republic	Libya	South Africa
Chad	Madagascar	Sudan
Comoros	Malawi	Swaziland
Congo, Dem. Rep.	Mali	Tanzania
Congo, Rep.	Mauritania	Togo
Côte d'Ivoire	Mauritius	Tunisia
Djibouti	Mayotte	Uganda
Egypt	Morocco	Zambia
Eritrea	Mozambique	Zimbabwe
Ethiopia	Namibia	

Asia region

Afghanistan	Lao PDR	Philippines
American Samoa	Malaysia	Samoa
Bangladesh	Maldives	Solomon Islands
Bhutan	Marshall Islands	Sri Lank
Cambodia	Micronesia, Fed. Sts	Thailand
China	Mongolia	Timor-Leste
Fiji	Myanmar	Tuvalu
India	Nepal	Tonga
Indonesia	Palau	Vanuatu
Kiribati	Pakistan	Vietnam
Korea, Dem. Rep.	Papua New Guinea	

Europe and Central Asia

Albania	Jordan	Romania
Armenia	Kazakhstan	Russian Federation
Azerbaijan	Kosovo	Serbia
Belarus	Kyrgyz Republic	Syrian Arab Republic
Bosnia and Herzegovina	Latvia	Tajikistan
Bulgaria	Lebanon	Turkey
Georgia	Lithuania	Turkmenistan
Hungary	Macedonia, FYR	Ukraine
Iran	Moldova	Uzbekistan
Iraq	Montenegro	West Bank and Gaza

Latin America and the Caribbean

Antigua and Barbuda	Dominican Republic	Nicaragua
Argentina	Ecuador	Panama
Belize	El Salvador	Paraguay
Bolivia	Grenada	Peru
Brazil	Guatemala	St. Lucia
Chile	Guyana	St. Vincent and the Grenadines
Colombia	Haiti	Suriname
Costa Rica	Honduras	Uruguay
Cuba	Jamaica	Venezuela, RB
Dominica	Mexico	

References

All of the GEF publications and GEF Council documents cited here are available on the GEF web site, www.thegef.org, under the Documents & Publications tab. GEF Evaluation Office documents can be found on the Evaluation Office section of the GEF web site, www.gefio.org, under the Evaluations & Studies tab.

GEF IEO 2005. *Review of the GEF Operational Program 12: Integrated Ecosystem Management*. GEF/ME/C.25.5.

GEF IEO 2007. *GEF Annual Performance Report 2006*. Evaluation Report No. 38.

GEF IEO 2009. *GEF Annual Performance Report 2008*. Evaluation Report No. 49.

GEF EO 2009. *The ROtI Handbook: Towards Enhancing the Impacts of Environmental Projects*. OPS4 Methodological Paper #2.

GEF IEO 2010. *Fourth Overall Performance Study of the GEF*.

GEF IEO 2010. *The GEF Monitoring and Evaluation Policy 2010*. Evaluation Document No. 4.

GEF 2011. *Instrument for the Establishment of the Restructured Global Environment Facility*.

GEF IEO 2013. *Final Report of the Fifth Overall Performance Study of the GEF: At Crossroads for Higher Impact*.

WB IEG 2014. *Global Program Review: The World Bank Group's Partnership with the Global Environment Facility*. Washington, DC.