



# Global Environment Facility

## Summary of Document GEF/ME/C.28/5

### GEF Country Portfolio Evaluation – Costa Rica (1992-2005)

#### **Recommended Council Decision**

The Council, having reviewed the document GEF/ME/C.28/5, GEF Country Portfolio Evaluation – Costa Rica (1992 – 2005), takes note of the findings and recommendations. The Council requests the GEF Evaluation Office to report through the Management Action Record on the follow-up to the following decisions :

- (a) The GEF Evaluation Office should continue conducting GEF Country Portfolio Evaluations in other countries, selected with transparent criteria.
- (b) The GEF Evaluation Office should conduct an evaluation of GEF regional projects in Central America, as a cohort. A budget for such an evaluation will be presented to Council at its next session.
- (c) The GEF Secretariat needs to improve the information mechanisms in the GEF, most notably the GEF website, to make essential operational information available at the national level.
- (d) The GEF Evaluation Office is invited to continue its interaction with the government of Costa Rica on the evaluation report and to report back to Council on Costa Rica's experience implementing the RAF and their attempt at defining the country's potential national contribution to global environmental benefits and how it has used it in the prioritization of projects for future GEF funding, as part of the review of the RAF in 2 years time.

Council reiterates its decision of June 2005 that “the transparency of the GEF project approval process should be increased” and requests the GEF secretariat to reinforce its efforts to improve this transparency.

#### **Executive Summary**

1. Costa Rica and the GEF have worked successfully together as partners in the effort against the decline in global environmental conditions since the beginning of the GEF. Costa Rica has been the recipient of GEF financial support since 1992 through a variety of projects and activities in collaboration with the GEF's Implementing and Executing Agencies. The activities

supported by the GEF have assisted Costa Rica in the development of its environmental and national development strategies. Costa Rica's rich natural endowments, well developed environmental sector and national human resources capacity have helped the many achievements attained in the country with GEF support.

2. The present evaluation is the first of its kind produced by the GEF Evaluation Office. This type of evaluation was requested by the GEF Council with two main objectives (1) to provide Council with additional information on the results of the GEF supported activities and how they are implemented, and (2) to evaluate how GEF supported activities fit into the national strategies and priorities as well as within the global environmental issues mandated to the GEF. Costa Rica was selected for the first evaluation as a pilot with the additional objective of learning and assessing if this new evaluation modality can actually be implemented in other countries in the future.

3. The evaluation focused on a portfolio of 12 full and medium size projects, some completed and others still under implementation, approved between 1992 and 2005 for a total of \$32 million. In addition, the evaluation includes the Small Grants Programme, established in Costa Rica since 1993 with an accumulated investment of \$5 million in 354 small projects. The GEF support to Costa Rica has been concentrated in the biodiversity focal area (almost 70% of the GEF investment) but there are examples of projects in all the other GEF focal areas.

4. The experience of the Costa Rica Country Portfolio Evaluation produced very good results and proved that this kind of evaluation is indeed valid and feasible. The evaluation is relevant to the GEF system, in particular to establish a historic assessment of how the GEF has been implemented in the country. Based on this experience the evaluation produced recommendations to improve GEF functioning in its new phase, under the implementation of the RAF.

5. The evaluation reached the following conclusions:

#### **Relevance of the portfolio**

- (1) GEF support to Costa Rica has been relevant to the progress of the country's environmental agenda.
- (2) The GEF's support could be more relevant in terms of the country's contribution to global benefits.

#### **Results of the portfolio**

- (3) GEF support of Costa Rica has produced global benefits and has been in accordance with the GEF's mandate.

#### **Portfolio's efficiency**

- (4) The duration of project preparation and approval varied greatly from very short to very long. No common problem areas, constituting bottlenecks for all projects, were found in this evaluation.

- (5) The mechanisms available for tracking project preparation and negotiation processes are generally very limited and the parties involved in these processes at the national level do not have direct access to them. This limitation is particularly severe in the pre-pipeline and post-GEF Council approval stages.
- (6) GEF operational information (project procedures and requirements, decisions of Council, etc.) is not easily available and is presented in a confusing way.
- (7) Costa Rica is beginning to prepare for the challenges of the GEF's new Resource Allocation Framework (RAF), though with some delay, particularly with regards to institutional coordination and project prioritization.

### **Country Portfolio Evaluations**

- (8) GEF portfolio evaluations at the country level are valid and feasible despite the fact that there is no national GEF program or strategy.
6. The evaluation provides two set of recommendations:
- (1) to the Council:**
    - a. Continue with GEF portfolio evaluations in other countries
    - b. Evaluate Regional Projects for Central America
    - c. Reinforce the effort to improve transparency in the GEF project cycle
    - d. The information mechanisms in the GEF, most notably the GEF website, need to be improved to make essential operational information available at the national level
  - (2) to the government of Costa Rica:**
    - a. Explicitly define the potential national contribution to global environmental benefits and use this definition in prioritizing the country's proposals to the GEF in the future.
    - b. Speed up processes for meeting the challenges inherent to the introduction of the RAF.
7. In addition, the evaluation also recommends that the on-going joint evaluation of GEF activities and modalities conducts further investigation for developing proper support or mitigation actions for GEF project proponents particularly during the pre-pipeline part of the project cycle when most of the investments of counterpart organizations take place.
8. The document begins with a presentation of main conclusions and recommendations coming from the evaluation. The following chapters present the information collected and the analysis conducted and how they support the conclusions and recommendations.
9. The evaluation was conducted by a team of consultants under the leadership of Claudio Volonte (Sr. Evaluation Officer, GEF Evaluation Office) and Alejandro Imbach (consultant). A draft document was presented in Costa Rica on April 20, 2006 to national stakeholders, including national government, Implementing and Executing Agencies, NGOs and other civil society partners. Feedback was very positive. Comments received are included in this final version. The Evaluation Office remains fully responsible for the contents of this report.