



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

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Agenda item 12

MANAGEMENT RESPONSE TO:

**RESULTS BASED MANAGEMENT – EVALUATIONS OF THE AGENCY SELF-EVALUATION
SYSTEMS AND THE GEF PORTAL**

PART A. EVALUATION OF THE AGENCY SELF-EVALUATION SYSTEMS

INTRODUCTION

1. Over the years, the GEF Secretariat has adopted a coherent set of policies and guidelines setting out principles and criteria for increasing the quality and delivery of projects and programs, making use of Agencies' self-evaluation tools and reports. Table 1 at the end of this paper provides a timeline of the GEF's recent initiatives in overseeing and enhancing the quality of self-assessment tools.

2. This evaluation is therefore timely as it provides evidence on self-assessment systems in GEF Agencies. The Secretariat appreciates IEO's recognition that *"policy frameworks and mechanisms in place within Agencies' self-evaluation systems support the provision of credible, quality, and timely information."* It also acknowledges that: *"GEF Agencies generally do not incentivize candor in self-evaluation, though some are making efforts."* Overall, the Secretariat agrees with many of the report's observations and the directions suggested by the recommendations.

3. The Secretariat appreciates IEO's recommendations and the constructive relationship that is developing to work together to address challenges in self-assessment systems. Before providing a response to each recommendation in the Management Action Record, the following provides considerations of strategic relevance on the role of incentives in conducting self-assessments, followed by project level practices and then accountability and learning.

RELEVANT CONTEXT

4. The report rightly indicates the role of incentives in the use of self-evaluations. Incentives and work pressures specific to each Agency shape project progress updates prepared through self-assessment tools, as well as the attention given to implementing existing projects, as opposed to designing new operations. They also pose a specific challenge in the context of the GEF Partnership composed of 18 Agencies. While the requirements set in the 2019 Policy on Monitoring underpin Agencies' project reports to the GEF Secretariat, each Agency uses its own guidance and approach when rating projects. This means Agencies respond in line with internal methodologies and internal incentive structures. This creates a challenge for comparability in assessing project performance across Agencies.

5. The Secretariat notes that the evaluation provides a strong benchmarking of established procedures, standards, processes and tools in place within Agencies. This focus on assessing existing structures is more prominent than the analysis of how these procedures are used in practice, shaped by the incentives at play in Agencies. This is limiting the relevance of the analysis provided, given the critical importance of incentives in transforming self-assessment systems into meaningful tools for accountability and learning.

6. The Secretariat is working toward mitigating this challenge, in part by developing tools that build on multiple lines of evidence beyond project ratings. To this end, in recent editions of

the Monitoring Report, the GEF Secretariat enhanced its focus on the quality and efficiency of projects under implementation by expanding the set of metrics assessing portfolio performance. This involved broadening the types of indicators used beyond project ratings, to focus on the drivers of project and program performance. This effort culminated in the Portfolio Scorecard introduced in the 2020 Monitoring Report, which triangulates data sources on project effectiveness and efficiency to assess the health of the portfolio.

7. In this context, the Secretariat concurs with IEO's note that *"even though the ratings provided in the project implementation reports may be overly optimistic, their narratives adequately capture the challenges faced by the project."* That's why the last two editions of the Monitoring Report included deep dive assessments on operational areas grounded on substantial review of progress reports provided by projects. Overall, the Secretariat is deepening its analysis and understanding of operational effectiveness.

8. In addition to strengthening its reporting on portfolio progress, the GEF Secretariat also initiated diagnostics of the adequacy of the information it receives and its ability to prompt Agencies and countries to improve implementation. This contributed to developing new tools, such as Country Factsheets developed to assist Operations Focal Points in managing programming and improving portfolio progress. Based on lessons from these efforts and further informed by IEO's findings, the Secretariat is identifying actions both within the scope of this Management Response and beyond that address many of the issues raised in this evaluation report.

PROJECT LEVEL SELF-EVALUATION

9. A significant portion of the report relates to project level self-evaluation. In this context, the report raises three important issues.

10. Firstly, the report points to the limited guidance provided to Agencies on the preparation of Mid-Term Reviews (MTRs). The Secretariat agrees that it needs to expand the guidance in this area to generalize proactive management of projects. It has already taken steps in this direction in two ways. First, the Project and Program Cycle Guidelines updated in 2020 indicate the key role of MTRs for adaptive management. Second, the implementation modules designed in the Portal provide guidance on reporting fields, which include an analysis of the challenges faced in reaching project objectives. In the future, the Secretariat will need to strengthen its own capacity to analyze MTRs and support Agencies in resolving challenges, in addition to supporting the development of guidance.

11. Secondly, the report focuses on both the critical role of project implementation and completion reports. The Secretariat would like to stress the vital role of annual Project Implementation Reports (PIRs) and Mid-Term Reviews (MTRs) to inform the Partnership on progress made, but most importantly to engage with Agencies and countries in overcoming implementation challenges. This matter is appropriately reflected in the recommendations. The evaluation could have benefited from extending to PIRs and MTRs the level of attention it gives to Terminal Evaluations (TEs).

12. Thirdly, the report raises the issue of timely submission of PIRs and MTRs, particularly for projects with low ratings. Timely submissions are critical to quality monitoring and therefore to accountability. In its engagement with Agencies, the Secretariat promotes not only strong supervision, but also quality of reporting. In practice, internal analyses of ongoing projects indicate a higher rate of report submission than outlined in the IEO report. It also reveals that projects with low ratings are in fact submitting more PIRs or MTRs than well performing projects. Finally, the Secretariat could not corroborate IEO's analysis of compliance in MTR and PIR submission rates, given the limited information provided on the methodology and dataset used.

ACCOUNTABILITY AND LEARNING

13. The Secretariat notes the report's finding that self-assessment tools across Agencies serve the dual objective of accountability and learning. It appreciates the report's nuanced assessment stressing that *"the self-evaluation systems of all GEF Agencies support accountability well. However, some Agencies seem to be much better than others at deploying these systems for learning on doing right things."* The Secretariat appreciates this assessment which highlights the importance of transforming project level self-evaluation into cross-agency learning.

14. Knowledge and learning mechanisms exist, but they can be enhanced. At project level, the reporting requires providing a yearly update on progress made in knowledge activities and a stocktaking of these activities at MTR. In addition, the Secretariat is currently rolling out a feature in the Portal inviting Agencies to submit lessons learned not only at Terminal Evaluation stage, but also at the Mid-Term Review. This new feature will help the Partnership capture and share lessons learned across projects. Learning is also a core feature of GEF-financed programs and particularly of Impact Programs, which all include a global coordination project that helps facilitate learning across countries and child projects.

15. Many learning activities, support functions and tools are in place, but there is indeed further scope to leverage learning. For example, the impact of COVID-19 on projects under implementation was discussed at both the November 2020 and April 2021 Agency Retreats, while IEO was invited to contribute on other topics. Knowledge-based events held by the GEF's Scientific and Technical Advisory Panel also enhance knowledge sharing among Agencies. Finally, the Country Support Program launched in the past year a Stakeholder Engagement Series to discuss operational matters across country constituencies.

Table 1. Timeline of initiatives on self-assessment systems since 2019

Key Reforms	2019	2020	2021
Institutional			
Monitoring Policy	●		
Guidelines on Results and M&E Plans		●	
New Dashboard launched			●
Quality of Implementation			
Portal Implementation Module rolled out		●	
Portfolio Scorecard		●	
Learning and engagement			
Country Factsheets		●	
Results e-course			●
Lessons learned capture			●

RECOMMENDATION 1

***“The GEF Secretariat and Agencies should strengthen use of mid-term reviews for learning and adaptive management.** The evaluation shows that despite their potential, mid-term reviews are conducted in a limited number of instances and the guidance on mid-term reviews is inadequate. The Secretariat should provide more guidance to the Agencies on conduct of the mid-term reviews, should share good practice examples, and should track timely conduct and submission of mid-term reviews. The Agencies should conduct the mid-term reviews for GEF-supported projects, as mandated by the GEF Monitoring Policy (2019).”*

16. The Secretariat agrees to strengthen the use of mid-term review for learning and to promote a flexible and more adaptive project management approach by:

- **Strengthening guidance.** In collaboration with Agencies, the Secretariat will reinforce guidance on MTRs and highlight good practices existing across Agencies, with a focus on adaptive and proactive management (2022). This will support increased focus on problem solving, course correction, project turnaround and learning.
- **Implementing a more efficient MTR review process.** The Secretariat will set out a plan to strengthen its oversight of projects under implementation and improve the quality and role of MTRs, view a view to enhance learning and adaptive management (2022).
- **Better tracking MTR submission.** The Monitoring Report will continue to track the timely delivery of MTRs as an integral part of the Portfolio Scorecard it introduced for the first time in the 2020 Monitoring Report (2021 and ongoing).

RECOMMENDATION 2

“The GEF Secretariat, in collaboration with other partners, should strengthen learning through the systems that it manages, support for cross-Agency exchanges, and incentives for candor. The Secretariat needs to play a greater role in facilitating learning across the GEF Partnership. Inter-Agency meetings and extended constituency workshops may be used to strengthen peer exchange on self-evaluation–related topics such as use of theory of change, and design and implementation of monitoring and evaluation plans. Similarly, enhancement of search and analysis capabilities of the Portal may be useful in strengthening learning across the Partnership. The Secretariat may also need to rope in Agencies, GEF IEO, and/or the STAP, based on the specific knowledge management challenge that needs to be addressed. For example, GEF Agencies that have experimented with incentives to enhance candor may be encouraged to share their experiences; similarly, the STAP may be drawn upon for use of theory of change, and GEF IEO on guidance on mid-term reviews.”

17. The Secretariat fully supports the recommendation to continue strengthen learning through systems, coordinate knowledge exchanges across the Partnership and invite more realism in project reporting. This will take place within the context of annual monitoring and reporting efforts, as well as via the Knowledge Management Strategy currently under development and through the following specific actions:

- **Better capture of lessons learned.** The Portal module used to upload MTRs and TEs will provide fields to enter lessons learned along a series of operational and environmental categories (2021). The Secretariat will establish an online repository of lessons learned from projects through the Portal as the lessons become available (2022).
- **Knowledge sharing among Agencies.** The Secretariat will convene agencies to a periodic series of events on the nuts and bolts of operational effectiveness. Topics will relate to enhancing reporting practices and efforts to harmonize candor (2022). Separately, the Country Support Program will continue to roll out South-South Exchanges and relevant constituency-specific events. The Secretariat will work in collaboration with the broader GEF Partnership on these events.

CONCLUSION

18. The valuable lessons and recommendations in the IEO’s evaluation report will inform and enrich the continuous use and improvement of self-assessment tools across the GEF Partnership. The actions set out in this response will allow the Secretariat, Agencies and countries to better leverage the data that emanate from them not only for accountability and compliance, but most importantly for learning. This evaluation will also help further shape the Secretariat’s analytical, strategic and operational oversight of the GEF portfolio under implementation, as set out in this response.

PART B. EVALUATION OF THE GEF PORTAL

INTRODUCTION

19. The GEF Secretariat welcomes this report and values the focus of the Evaluation Office on this essential structural component of the GEF Partnership. The GEF Secretariat is in broad agreement with its findings, conclusions, and recommendations.

20. We appreciate that the report has highlighted the benefits and advances brought by the Portal to GEF's work, including enhanced efficiency and transparency in the workflow, and higher quality and integrity of data and information on the project portfolio. We are encouraged by the positive findings relating to the user-friendliness of the system, and its importance in supporting effective implementation of the GEF-7 programming and policy agenda.

21. The GEF Secretariat welcomes the useful and insightful findings of the Evaluation that indicate and reflect concerns about aspects of the system, including technical performance issues and the time to fully develop some of the advanced features. The Secretariat recognizes the challenges identified, and welcomes the recommendations made to address these. These are valuable and constructive inputs, and the Secretariat is confident that these will help to continue to strengthen the system going forward.

RECOMMENDATION (A)

“The GEF Secretariat should strengthen its process to address user feedback on the Portal. The evaluation found that the Portal team has been readily available to address user needs. But the present process for addressing user feedback needs to be strengthened so that it fully meets user needs. The strengthened process should enable direct feedback through the Portal along with the options that are presently available. It should also record user feedback/complaints, require a response within a committed time frame, and track progress towards resolution.”

22. The GEF Secretariat appreciates that user feedback can be further strengthened so that the Portal fully meets user needs and generally agrees with this recommendation. The GEF Secretariat also welcomes the Evaluation's recognition of the continuous excellent work and support of the Portal team, including both the GEF Secretariat staff and the WB ITS team, throughout this major system transition.

23. Mechanisms and procedures for Portal user feedback is an ongoing and iterative process, especially as the Portal has progressively expanded its user groups – these include not just the Secretariat and Agencies but also the Political and Operational Focal Points in governments; the IEO; STAP; and Convention Secretariats, each of whom have individualized landing pages, features and functionalities tailored to their uses and needs.

24. Building on the IEO recommendation, the Portal Team in the Secretariat and WB ITS will: (i) develop an enhanced framework to ensure full responsiveness to each user group, and to

rapidly assess whether an individual issue rises to a system-level need; (ii) provide more frequent regular updates in suitable formats to different users on the Portal features and functionalities, including updates to align to changes in underlying policies and operational modalities; and (iii) offer additional training and capacity support for full use of the GEF Portal by different user groups both through existing platforms such as the Country Support Program events and Agency Retreats, and also through dedicated outreach as needed.

25. Through these actions, the GEF Secretariat is confident that the system's proficiency will be continuously developed, and its capabilities will be used in full support of all members of the GEF Partnership.

RECOMMENDATION (B)

“GEF Management should develop and implement a time bound plan to speed up the development of the Portal. The users of the GEF Portal perceive that despite significant progress, the development of Portal has continued for long. For some, especially Agencies, this perceived delay in completion of the development phase is a source of frustration and it may be causing some inefficiencies across the GEF Partnership. Several gaps need to be addressed and it may be more cost effective to address them sooner rather than later. The GEF Management should assess how best it may speed up the process and implement its plan.”

26. The GEF Secretariat fully appreciates the concerns relating to the time taken to develop the more advanced features of the Portal, and will take into consideration this recommendation.

27. The GEF Secretariat would like to highlight that it was always envisioned that the Portal would be developed progressively and would thereafter continue to require adjustments to reflect the dynamic nature of GEF operations and governance. From the outset, the Portal team has engaged in extensive dialogue and consultations with partners with the aim of realizing the highest potential for the system. This has been an important factor in its progressive development. Equally, there is significant complexity to many aspects of GEF programming, policies, financing envelopes and operational modalities, and frequent updates. The Portal maps these into its project review and approval system, via a newly developed built-in workflow involving multiple users, and a system-logic that aligns to the GEF-7 policy and programming agenda. In addition, cost of programming additional functions can be substantial and decisions to commission new functions therefore needs to be carefully informed by cost-efficiency considerations.

28. In addition, the Portal provides advanced capacity to gather, aggregate, track and report a wide range of data and information, including from an entirely new spectrum of information available to the Partnership via the Portal during project implementation, and auto-feeds information in real-time to the GEF website to enhance transparency, value and accessibility of the GEF's work. The customized development of these advanced features has indeed been a long-term project but carries considerable benefits.

29. At the same time, the frustration on time taken to develop some features is understandable. Each year, the Portal Team has worked with WB ITS to develop a timeline for pending actions and deliverables in the Portal. Most of these have followed the agreed timeline, but not all.

30. Building on the IEO recommendation, the Portal Team in the Secretariat will: (i) consult with users on still-pending features or system needs, including opportunities to further harness the potential of the system; (ii) continue to conduct regular reviews of all implementation targets with GEF management and WB ITS to update and strengthen the timeline for remaining deliverables in the Portal project; and (iii) provide regular updates to users on progress in completing these deliverables, and any issues that might arise.

CONCLUSION

31. The GEF Secretariat will track our progress on the implementation of each of these recommendations, working closely with partners and users of the Portal, and reporting through the IEO's standard Management Action Record.