



Global Environment Facility

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PROGRESS REPORT ON MONITORING AND EVALUATION ACTIVITIES

INTRODUCTION

1. This is a progress report on the GEF corporate monitoring and evaluation (M&E) activities since the December 1999 Council meeting. It includes the activities carried out by the M&E unit in cooperation with other staff of the GEF Secretariat and the Implementing Agencies, but does not include the M&E activities that have been undertaken separately by the GEF departments/units of the Implementing Agencies.

FULL REVIEWS/EVALUATIONS

A. INTERIM ASSESSMENT OF BIODIVERSITY ENABLING ACTIVITIES

2. The GEF has completed the interim assessment of Biodiversity Enabling Activities, which assist recipient countries: (1) to develop national biodiversity strategies and action plans (NBSAPs) as required by Article 6 of the Convention on Biological Diversity (CBD), and (2) to prepare their first national reports to the Conference of the Parties (COP) to the CBD

3. The report was submitted to the December 1999 Council Meeting (GEF/C.14/11). It was also presented and widely distributed at a side event at COP 6 in Nairobi. The findings and conclusions of the report are being included in the GEF/UNDP partnership on the Capacity Development Initiative, as well as other efforts for enabling activities.

B. REVIEW OF CLIMATE CHANGE ENABLING ACTIVITIES

4. The GEF has completed a review of its support to the climate change enabling activities. A total of about US\$72 million has been allocated by the GEF to 128 countries geared towards enhancing the capacity of participating non-Annex 1 Parties to prepare their initial national communications to the UNFCCC.

5. The review has taken stock of experiences so far and extracted lessons for future endeavors of enabling activities. Specifically, the review examined: (i) the effectiveness of the enabling activity modality as a response to guidance from the Conference of the Parties; (ii) the effectiveness and efficiency of the GEF approval and the national execution processes; (iii) influence on broader capacity building and/or planning in countries through the process of preparation of initial communications; and (iv) best practices from country experiences. The final report was submitted to the November 2000 GEF Council meeting (GEF/C.16/10).

C. STUDY OF IMPACTS OF GEF ACTIVITIES FOR PHASE-OUT OF OZONE-DEPLETING SUBSTANCES

6. The study is based on data reported by the countries to the Ozone Secretariat in Nairobi, as well as data from the Implementing Agencies. The study was submitted as an Information document (GEF/C.14/Inf.6) to the December 1999 GEF Council meeting. It has been published in English and Russian.

D. GEF AND THE WORLD BANK'S FORESTRY OPERATIONS

7. The evaluation of the GEF and the World Bank's Forestry Operations was carried out by the World Bank's Operations Evaluations Department, in cooperation with the GEF M&E team. It was one of several inputs to a broader review of the World Bank's 1991 forest policy and its implementation.¹

8. The evaluation concludes that GEF funding allowed the Bank to remain active in forestry operations and fulfill, partially, the 1991 forest policy mandate. GEF and Bank efforts have contributed to conserve specific forest sites and species in 44 countries, including tropical moist forests in 16 of the 19 countries which were identified as priorities. The operations increased the legitimacy of conservation, leveraged substantial additional funds for that purpose and supported innovative approaches at project and national levels.

9. The paper also identifies a number of areas in which experience has been disappointing or where additional attention is needed. They include:

- (i) A lack of strategic focus. The scale of GEF project assistance is far less than needed to begin to offset benefits foregone from wholesale logging and land conversion, especially in moist tropical forests.
- (ii) Insufficient attention is given to the threats to biodiversity constituted by logging operations, agricultural plantations, infrastructure projects and other land uses.
- (iii) There is inadequate coordination and cooperation with private sector initiatives that may exacerbate or alleviate threats to biodiversity.
- (iv) There is weak awareness of gender issues in biodiversity projects. Almost three-quarters of the Bank/GEF projects reviewed have not included women in the process of project design and implementation.

The report has been published as a document of the Operations Evaluation Department of the World Bank.

¹ *Financing the Global Benefits of Forests: The Bank's GEF Portfolio and the 1991 Forest Strategy*, by J. Gabriel Campbell and Alejandra Martin.

THEMATIC REVIEWS

A. ACHIEVING SUSTAINABILITY OF BIODIVERSITY CONSERVATION

10. The review had four components: (1) a review of the general literature and GEF documents (2) a paper prepared by IUCN, as the central focal point for the GEF-NGO Network, that examined sustainability of biodiversity conservation from the NGO perspective; (3) a survey of other multilateral and bilateral donor agency experiences; and (4) a desk review of experience and insights gained about sustainability from the design and implementation of GEF projects.

- (a) The review identified principal factors that influence the sustainability of biodiversity conservation. The central ingredient is the political will to conserve and sustainably use biological diversity.
- (b) Two key factors that influence political will are awareness and understanding of the value of biodiversity and the benefits of its conservation, and the capacity of institutions and people to influence policy, engender commitment to conservation, and effectively channel resources to and carry out actions in the field.
- (c) The review concluded that it is not realistic to expect that sustainability of biodiversity conservation can be achieved through one relatively short project. In many places, achieving sustainability will require GEF involvement and funding for substantial periods of time, i.e. 10 years or more.

The report has been published as M&E Working Paper No. 1.

B. THEMATIC REVIEW OF SOLAR PV PORTFOLIO

11. The GEF has until now supported 20 off-grid solar photo-voltaic (PV) projects. The projects in general aim at stimulating and achieving commercialization of off-grid solar PV systems. The review was based on existing documents, interviews with project task managers and brief visits to six countries.

12. Projects in the portfolio employ either or both of two primary approaches: with a **sales model** (eight projects), private dealers sell solar home systems to rural households. With a **service model** (10 projects), an energy-service company provides electricity for a monthly fee to rural households. Some of the emerging lessons from the GEF solar PV portfolio are:

- (a) Viable business models must be demonstrated to sustain market development for solar PV.
- (b) Substantial implementation experience is still needed before the success of the service model can be judged. However, the service model seems more likely than the sales model to result in larger markets because they provide greater affordability for poorer households.

- (c) Post-project sustainability of market gains have not yet been demonstrated in any GEF project.

The report has been published as M&E Working Paper no. 2 and presented at a special workshop held in Morocco in September 2000, with support from the Swiss government. The final edition of report will include the insights gained at the workshop and be published towards the end of 2000.

C. MULTI-COUNTRY PROJECT ARRANGEMENTS

13. The review comprised a total of 36 transboundary projects, including 28 international waters and eight biodiversity projects. The data was collected through project documents, a questionnaire and some short field visits.

14. The review demonstrates that the GEF can play an important role in facilitating multi-country approaches and assisting countries to deal with transboundary environmental problems. However, it was concluded that multi-country and multi-implementing agency projects require much longer preparation periods and greater Implementing Agency inputs than single-country projects. The process of developing a shared vision and a framework for action among countries requires strong political commitment, public awareness and participation by a large number of public and private actors. GEF could play a more proactive role in promoting regional implementation and leadership through programmatic approaches based on careful and scientifically solid analyses of the causes of environmental problems and threats to sustainability. The study is concluded and published as M&E Working Paper no. 3.

PROJECT IMPLEMENTATION REVIEWS (PIR)

15. The 1999 PIR covered 135 projects under implementation for at least one year. Its results, together with findings from a number of program and project evaluations and other studies, were synthesized in the *1999 Project Performance Report* and presented to the Council (GEF/C.15/10). The most significant conclusions from the review include:

- (a) the importance of integrating GEF-supported activities with national development priorities and programs and involvement of key stakeholders in building commitment and ownership, and ultimately to achieving and sustaining local, national, and global results;
- (b) the need to address global environmental problems on a longer term basis and in a more flexible way than is envisaged in most current project instruments;
- (c) the need for GEF to move away from an “approvals culture” toward greater attention to the results of its programs; and

- (d) the integration of the tools and perspectives of “monitoring and evaluation” into management practices, allocating more time and attention to implementation and to understanding what is working, what is not, and feeding the lessons back to GEF and its partners.

The report has been published in English, French and Spanish.

16. The PIR 2000 review is scheduled for September 2000–February 2001. Each implementing agency has reviewed its own GEF portfolio and prepared an overview report highlighting key trends and lessons learned. During November, projects in each focal area will be reviewed by the respective GEF task force and the M&E team. This will be followed by the general GEF review meeting in early December. The 2000 *Project Performance Report* will be prepared in early 2001.

MONITORING AND EVALUATION GUIDELINES AND METHODOLOGY

A. STANDARDS AND GUIDELINES

17. The M&E team has prepared new draft “M&E Standards and Guidelines.” These address M&E at both the program and project levels, incorporate the “logical framework” approach as the basic planning and evaluation framework and reflect the Council’s decision that all projects should have completion reports that are publicly available. The document describes responsibilities for M&E in the GEF Secretariat and the Implementing Agencies and highlights the importance of dissemination of findings and lessons learned. Pursuant to additional consultations between the Secretariat and the Implementing Agencies, this work will be completed in October 2000. The document will be available in printed and electronic form.

B. PROGRAM INDICATORS IN BIODIVERSITY AND CLIMATE CHANGE

18. While considerable work on project-level indicators has been done by the Implementing Agencies, there has not been a comprehensive system of indicators with which to measure the progress and results of GEF programs. Developing program-level performance indicators for the GEF Biodiversity and Climate Change Operational Programs (OPs) has been one of the central tasks in the overall corporate M&E work program in 1999-2000.

19. Indicators are to be considered as basic building blocks to facilitate the measurements of performance and impact, whereas discreet analyses or evaluations of the data are required to arrive at definite findings or conclusions on GEF performance. The indicators will also be helpful in guiding M&E work more generally.

20. The work on program-level indicators has been done by external consultants, which were reporting to two GEF-wide Steering Committees. STAP has provided advice on scientific and technical matters. The reports have been completed. The indicators will be used in the ongoing Program Reviews in Biodiversity and Climate Change. These two studies will contribute to testing the validity and usefulness of the indicators.

Biodiversity

21. The work on biodiversity indicators has been assisted by a team of consultants from ITAD Ltd., including team members from IUCN and the World Conservation Monitoring Center (WCMC). The WCMC has assisted the Steering Group in the second phase of this work, and prepared the final report which has been published on GEF's webpage.

22. The report of the second phase distinguishes between various types of indicators: coverage by GEF projects, impact on biodiversity pressures, biodiversity status and context. The "coverage indicators" will be tracked in a quantitative database, which will aid analyses of the number, size, and relevance of GEF projects in various ecosystems and bio-geographical regions. The other categories of indicators have been used to guide evaluations of the quality of, as well as the achievements and lessons learned in GEF operations.

Climate Change

23. The work on climate change indicators has been assisted by Tellus Ltd. An initial set of program indicators has been developed for Operational Programs 5-7. There is agreement in the GEF that indicators directly related to measurements of greenhouse gas reductions are not appropriate for most projects, since the GEF efforts are mainly directed at the development of more environment friendly country energy markets for renewable or efficiency measures. For large countries, sub-country markets may in some cases be more appropriate; and similarly for small countries, a regional focus may be needed in cases where the market extends beyond the country boundaries.

24. Country-level tracking is to identify the influence of GEF projects on national efforts towards developing and implementing climate-friendly technologies and practices, including incentives related to costs, prices, services and programs. In addition to country markets, it is also proposed that the same indicators be tracked at the international level—especially in countries where GEF has supported climate change projects. The report has been published as M&E Working Paper No. 4.

C. METHODOLOGY FOR INTEGRATING CAPACITY DEVELOPMENT INTO PROJECT DESIGN AND EVALUATION

25. The M&E team has commissioned an approach paper on how to analyze capacity development at the project design and evaluation stages. Capacity development is a complex process of innovation and adaptation involving multiple changes at different individual, organizational, and institutional system levels. The paper concludes that capacity development should be seen as a process of organizational change and innovation. Specific change processes need to be planned into a project either at the individual, organizational or institutional system level. The evaluation may then focus on how well the change processes are working.

26. The Approach Paper will be useful by itself, but will also provide inputs to the broader UNDP-GEF Strategic Partnership on the Capacity Development Initiative. It has been completed and published as M&E Working Paper no. 5.

COMMUNICATION AND DISSEMINATION

27. The corporate M&E team has developed several vehicles for communicating the results of its activities. An annual *Project Performance Report* synthesizes the results of the PIR and recent program and project evaluation studies.

28. Evaluations reports and studies are published in English, French and Spanish, while thematic studies are published in English. They are available in printed copy or electronically on GEF's website. Customized mailing lists for both printed and electronic distribution of M&E publications, and an E-mail address (geflessons@gefweb.org) enable the dissemination to GEF clients and allow for their feedback.

29. The GEF Lessons Notes disseminate summaries of findings from reviews, evaluations and studies of the GEF Secretariat and Implementing Agencies. Six issues have been completed or are under preparation in FY 2000.

30. In addition to publications, the M&E team often provides oral briefings or presentations that highlight the main findings and implications of evaluations and reviews; e.g. the Interim Review of Biodiversity Enabling Activities and the Review of Solar PV.

WORK PROGRAM FOR FY2001

SECOND STUDY OF GEF'S OVERALL PERFORMANCE AND PREPARATORY WORK

31. The Second Study of GEF's Overall Performance (OPS 2) is M&E's main work program component, scheduled to be conducted from October 2000 to January 2002 (Ref. Council paper dated September 25, 2000 on "Plan for the Second Study of GEF's Overall Performance.") The study will be carried out by an independent team of consultants. However, the team's work will be aided by preparatory and supportive work of the GEF in the form of program studies. These will cover the GEF focal areas of climate change, biodiversity and international waters. The objective of each program study is to provide a broad assessment of GEF results and impacts. The work on the studies will be done by GEF-wide teams, supported by consultants. The program studies are scheduled to be completed by March 2001.

32. Complementary to the program studies, a linkage study on land degradation is scheduled to be completed by October 2000. The linkage study will help define the land degradation objectives in the program studies, but will also feed directly into OPS 2.

IMPLEMENTATION QUALITY REVIEWS

33. It was agreed at the GEF Retreat in early June 2000 that the M&E team will coordinate GEF work of a new kind of selective project reviews, presently termed GEF Implementation

Quality Reviews. The M&E team will prepare draft guidelines, criteria and procedures for the reviews. These will be discussed and adapted to the mandates, procedures and the work plans of the GEF Secretariat and the Implementing Agencies. It is envisaged that budget requirements for specific reviews during the year will be requested as part of the mid-term review of the corporate M&E budget.