GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

GEF Council Meeting
October 28 – 30, 2014
Washington, D.C.

Agenda Item 05

RESULTS-BASED MANAGEMENT:
ACTION PLAN

Recommended Council Decision

The Council, having considered document GEF/C.47/05, *Results-based Management: Action Plan*, welcomed and approved the Action Plan. The Council requests the Secretariat to report on progress in the implementation of the Action Plan at the next Council meeting in June 2015.

TABLE OF CONTENTS

1.   A robust system to ensure that key management decisions are based on results is critical to help the GEF network achieve its objectives. At the Council Meeting in May 2014, the GEF Secretariat foreshadowed the upgrading of the GEF Results-based Management (RBM) system in the action plan for implementing GEF-6 policy recommendations.[1] The *GEF 2020 Strategy* describes an increased focus on drivers of change and securing multiple environmental benefits through integrated approaches, highlighting the importance of a stepped up use of RBM and a keen focus on knowledge with a view to ensuring that innovations taking place within the GEF are widely shared and adopted by others.[2] Further, the *GEF-6 Programming Directions* also presents the GEF's corporate results framework.[3]

2.   Accordingly, the _purpose_ of this paper is to set out the way in which GEF is evolving its RBM system at the corporate level to pursue the *GEF 2020* strategy and achieve the objectives of GEF-6 by managing better for results – including more accurately assessing GEF's rapidly evolving role in supporting global environmental improvements. This ambition is encapsulated in the *GEF 2020* emphasis on improving GEF's capacity to more efficiently "_measure what matters_" and "_close the feedback loop,_" the classic twin challenges of any results management system.

3.   It should be emphasized that the GEF partnership as a whole is committed to making RBM work, and this will build upon the initiatives underway across the partnership. A special feature of the RBM landscape for GEF finance is the richly diverse nature of the institutions engaged in the partnership. In this context, the GEF Secretariat will work across the partnership to pursue time-bound actions to review and upgrade the use of RBM in the Secretariat, designed to ensure that the GEF is better placed to manage for results, with a clear alignment between performance and the achievement of GEF's mission.

4.   An enhanced RBM system, including its knowledge components, will be valuable as GEF Secretariat facilitates effective partnerships with GEF Agencies, the Conventions, Governments, civil society and the private sector.[4] There are potentially significant efficiency gains from ensuring, to the maximum extent possible, that the GEF RBM system dovetails with the results management systems at the GEF Agencies.

RBM AT THE GEF

5.   In summary, the GEF has accomplished a number of notable RBM achievements over the last several years. A short history of the use of RBM at the Secretariat, since its introduction in 2007, is shown in Annex 1. Like all other international and national agencies

---

[1] See *Action Plan for Implementing GEF-6 Policy Recommendations* (GEF/R.6/21/Rev.03). For the purposes of this paper, the expression "corporate RBM system" refers to GEF's results-based management system of procedures, techniques and reports (such as the AMR process) designed to help manage GEF for results, and including features of GEF's Knowledge Management (KM) strategy. KM is a broader effort to create, gather, organize and share knowledge relevant to the work of the GEF, in support both of better results and better understanding of the facts, issues, challenges and opportunities in this work.
[2] *GEF2020 – Strategy for the GEF* (GEF/C.46/10) dated May 15, 2014
[3] See *GEF-6 Programming Directions* (Extract from GEF Assembly Document GEF/A.5/07/Rev.01 May 22, 2014).
[4] This is one of the core operational principles in GEF2020 and will also help achieve success in new initiatives such as integrated approach programs (IAPs).

that have pursued RBM vigorously, GEF's corporate RBM system has benefited from periodic upgrading and learning lessons from experience. For example, GEF's RBM system, and related features, achieved a number of milestones in recent years:

(a)   Monitoring and Evaluation (M&E) Policy (2006)

(b)   The initiation of the corporate RBM system itself, including a GEF corporate results framework (2007)

(c)   Allocation of resources, including dedicated staff, to the results effort

(d)   An upgrade of the corporate RBM system, including a new RBM work-plan and an updated KM approach (2010)

(e)   The inauguration of the Annual Monitoring Review (AMR) – with *AMR part 1* focusing on a data-driven portfolio analysis and *AMR part 2* providing more qualitative learning from the portfolio.

(f)   Articulation of the KM Strategy (2011) and Preparation of the KM work-plan (2012)

(g)   A learning exercise whereby the World Bank shared lessons on their RBM experience for the GEF (2013)

6.   As a result of this emphasis on RBM, GEF and Agency staff members are making strenuous efforts to plan, budget, implement and track performance for results – see Box 1 for an example in biodiversity conservation.

Box 1: RBM in the Biodiversity Focal Area

The biodiversity focal area initiated the use of tracking tools to monitor outcomes of GEF's protected area portfolio more than a decade ago, even prior to a RBM system being formally instituted at the GEF. This has evolved into a comprehensive system of tracking tools that monitor results from all objectives in the biodiversity focal area with a focus on linking analysis of portfolio results and project implementation to ongoing refinement and evolution of the biodiversity strategy and project design and implementation approaches.

This continuous feedback loop has been facilitated by a very surgical use of the annual AMR process focusing on key thematic issues and implementation challenges in biodiversity management. In addition, the AMR process has served as the means to identify areas of investigation for the biodiversity learning missions, where assumptions and hypotheses embedded in the biodiversity strategy are further evaluated and tested through field visits and more in-depth project analysis and review. This learning is then integrated into the evolution of GEF's biodiversity strategy and in project design.

Finally, the GEF's adoption of the protected area management effectiveness tracking tool (METT) as a requirement for all GEF investments in protected areas has resulted in GEF being the major contributor of data to global monitoring efforts of the protected area estate. As GEF refines and improves this tool for use in GEF-6 based on implementation experience to date, the GEF partnership will serve as a thought-leader in improving and enhancing global monitoring efforts of protected areas.

7.   The unique nature of the GEF partnership creates a number of features within which RBM must operate:

(a)   The existence of very different and separate RBM systems (including IT systems) across the GEF partnership, reflecting the richly diverse roles and nature of institutions engaged in the partnership.

(b)   Key decision-points requiring information on results involve a range of stakeholders – for example: the allocation by donors during the replenishment, the allocation of finance between focal areas, country and set-aside allocations, development of focal area strategies, project and agency selection by governments, concept approvals by the Council, project designs and approvals by Agencies and governments, project reviews and approvals by the Secretariat, project approvals by the Council, project implementation decisions by governments, and supervision decisions by agencies.

(c)   A number of additional reporting requirements derive from its role as the financial mechanisms of the Conventions.

8.   GEF remains committed to ongoing improvement of RBM and, as such, a number of issues have emerged that require attention from the GEF Secretariat and the wider GEF partnership if we are to maintain the momentum of results-based management into GEF-6. These include:

(a)   A *high burden of monitoring* and reporting at the project level – according to OPS5 this is a particular challenge for multi-focal area projects and programs.

(b)   A *proliferation of indicators* in response to demands from numerous critical stakeholder groups (with the companion problem of interpreting complex data) with the concomitant problem of often ensuring adequate data quality and information overload.

(c)   *Varied depth of "feedback loops"* between results information and key decisions across at the GEF Secretariat.

(d)   A *corporate results reporting system* that is still mainly focused on reporting aggregated proxy indicators and selected examples of good practice, generally focusing on accounting for deliverables by focal area.

(e)   A need to evolve results measurement to reflect the *broader and more ambitious objectives of GEF 2020* – with its focus on tackling drivers, integrated programming across focal areas, and generating multiple benefits.

(f)   A need for more *human and financial capacity* on RBM in the GEF Secretariat. And to date the GEF has not embarked on systematic Learning and Development (L&D) in results management at different levels to ensure that skills are commensurate with such an ambitious system

(g)   A lack of an *efficient automated system*. GEF's current IT platform does not easily permit the distillation of prolific data into the depiction of a meaningful corporate level results framework, nor does it connect to the diverse and discrete systems of the Agencies. The system therefore does not provide a sufficiently rich and real-time analysis of the portfolio.

9.   The GEF Secretariat is embarking on this RBM action plan, initially over 2014 – 2016, to respond to these challenges and to equip GEF to be managed effectively and efficiently to deliver on its mandate.

10.   This Action Plan also offers another important element. GEF-6 confirmed that the GEF partnership can further improve the way it uses and deploys its extensive accumulated knowledge on the use of GEF finance. As results and knowledge are related assets, the RBM Action Plan is a critical first step to determine one of a number of key areas of demand for a broader and bolder Knowledge Management strategy.

ACTION PLAN FOR 2014-2016

11.   Action Plan Vision: Key management decisions on the provision and use of GEF financing in the GEF partnership – particularly those involving the GEF Secretariat and Council – are fully and efficiently informed by the best available information on results.

12.   Action Plan Purpose: To review and where necessary to improve the RBM system at the GEF Secretariat, building on the RBM systems and practices in the GEF Agencies.

Five Key Actions

13.   Under this RBM Action Plan (2014-2016), the GEF Secretariat in partnership with the Agencies and Conventions will pursue the following key initiatives:

Action 1: Review and where necessary upgrade all results frameworks at the GEF with a focus on alignment, efficiency and relevance

14.   An important task that will emerge from deliberations will be a comprehensive assessment of how GEF's current results frameworks can best be deployed.[5] This is a key component of the RBM system and lays the foundation for all actions to manage for results at GEF. As the RBM system is upgraded and the corporate level and focal area results frameworks are assessed, it will be important to ensure that there are rigorous results frameworks that are logically consistent internally. Such an assessment would also consider socioeconomic co-benefits, and improved emphasis on gender. It will be important to ensure that the GEF strategy cascades down to the Focal Areas and other results tracking and their outcome reporting is channeled up to the GEF Management team. For example, the Secretariat has initiated the process of reviewing the focal area tracking tools to ensure their consistency with the existing focal area results frameworks.

Action 2: Strengthen corporate level results reporting

15.   With the upgrades in the corporate RBM system, the GEF Secretariat will explore opportunities for presenting a clear periodic analysis of GEF's corporate effectiveness, designed to capitalize on the improvements to the system during the Action Plan period and be presented in dashboard format – building on and possibly evolving the Annual Monitoring Report.

---

[5] See *GEF-6 Programming Directions* (Tables 2 and 3, pp. 11-12)

<u>*Action 3*</u>*: Review and upgrade GEF's IT platform to support the RBM system*

16.   In order to gain better insights into what the corporate RBM system can tell us about GEF's corporate-level performance, and to ensure that data gathering, storage, retrieval for the various purposes of RBM is as efficient and streamlined as possible, GEF will develop a simple, IT-based interface. This interface would also build on GEF's experience in using existing reporting tools, such as the Project Management Information System (PMIS).

17.   Such an interface, available in real time at each workstation in GEF, will aim to provide managers with valuable information on indicators, baselines and targets, and also assist in determining what driving performance is and who is responsible and accountable for that information. A key benefit of upgrading the IT that supports the corporate RBM system is that it can reduce data gathering and reporting burden for GEF and, potentially, at GEF agencies.

18.   The IT component of the plans to upgrade the corporate RBM system is essential to the success of this Action Plan. A capable IT platform with a focused RBM interface, delivered in a timely manner, would be a demonstrable and extremely helpful step in the upgrading process. It will also allow for a much more user friendly mapping of ongoing and/or past projects across focal areas in a particular country or region and retrieval of project related information.

<u>*Action 4*</u>*: Review and where necessary strengthen management and working capacity for RBM in the GEF Secretariat*

19.   A central objective of the Action Plan will be to assess the extent to which results are driving key management decisions (see paragraph 8(b)) on the use of GEF resources both in the Secretariat and in the wider GEF partnership, identifying space for improvement. This will provide a basis for deploying additional capacity to this issue within the Secretariat in the most appropriate roles. Such capacity will be needed to help drive this agenda under the leadership of the CEO, and to help implement a comprehensive internal RBM capacity development program based on an assessment of learning and development needs.

<u>*Action 5*</u>*: An independent assessment of the improved RBM system*

20.   An independent evaluation of the corporate RBM system will be undertaken (tentatively in 2016). That evaluation will be an important contribution to the further evolution of results-based management at GEF.

Proposed Timetable

Time	Action
Immediate Actions by May 2015	✓ Further consultation/collaboration with GEF Agencies ✓ Strengthen RBM Team at the GEF Secretariat ✓ GEF Management Team High Level Workshop (along with Agency Executive Coordinators) to high-level objectives for RBM in the GEF. ✓ Establish RBM network across the GEF partnership to coordinate the implementation of the RBM work plan. ✓ Review and upgrade all results frameworks at the GEF with a focus on alignment, efficiency and resources

Time	Action
	✓ Review IT Platform and RBM interface ✓ Identify staff incentives for RBM ✓ Design of IT Platform and RBM interface ✓ Development of model effectiveness report, building on the AMR
Implementation by end 2016	✓ Introduce the first RBM "toolkits" ✓ Establish some L&D programs in RBM for relevant staff in the GEF partnership ✓ Feed the RBM lessons into the development of a wider GEF Knowledge Management strategy ✓ IT Platform prepared and rolled out
Ultimate by May 2017	✓ Independent evaluation of RBM at GEF.

ANNEX: A CONCISE HISTORY OF RBM AT THE GEF

**Background to the Current RBM System at the GEF**

1.   Results monitoring has been an important facet of GEF's evolution into its role as partnership involving 183 member countries, 14 implementing agencies, civil society, and the private sector. In the effort to improve GEF operations, Results-based Management (RBM) and Knowledge Management (KM) have been incrementally developed over time, including a Monitoring and Evaluation (M&E) Policy (2006) updated in 2010, a RBM Framework (2007) and RBM work-plan (2010), a KM Strategy (2011) and KM work-plan (2012). Many of the actions suggested in those documents were implemented and laid the basis for a broader effort.

2.   The M&E functions of the GEF were established after the GEF restructuring in 1994, when the GEF Council was entrusted with the responsibility for developing, adopting, and evaluating the operational policies and programs for GEF activities in accordance with the GEF Instrument. A framework for M&E was approved in May 1997 as the "Framework and Work Program for GEF's Monitoring, Evaluation and Dissemination Activities" (GEF/C.08/04). As a result of the Second Overall Performance Study and replenishment of the GEF Trust Fund, the GEF M&E Unit was made independent in 2003, reporting directly to the GEF Council. In November 2004, the GEF Council renamed the Unit the GEF Office of Monitoring and Evaluation, which was later renamed the GEF Evaluation Office (EO). As a part of the consultations leading up to the 2006 M&E Policy, Monitoring was transferred to the GEF Secretariat, with Evaluations continuing to be the mandate of the EO.

3.   First GEF M&E Policy, 2006: The GEF EO first developed a Monitoring and Evaluation (M&E) Policy in 2006. It noted that GEF's overarching objectives for Monitoring and Evaluation were to (i) Promote accountability for the achievement of GEF objectives through the assessment of results, effectiveness, processes, and performance of the partners involved in GEF activities. GEF results would be monitored and evaluated for their contribution to global environmental benefits; and (ii) Promote learning, feedback, and knowledge sharing on results and lessons learned among the GEF and its partners, as a basis for decision-making on policies, strategies, program management, and projects, and to improve knowledge and performance. The policy laid out the minimum requirements for monitoring. Its focus was evaluation-centric with much less emphasis on the generation and use of information to improve ongoing performance in the GEF network. The main instrument for gathering information from the projects was the *Project Information Report (PIRs).* The PIRs continue to be a source of yearly information on the status of GEF projects under implementation and the quality of information in the PIRs varies among the different agencies.

4.   Results-based Management Framework Paper 2007: At its December 2006 meeting, the Council requested the Secretariat to submit a results-based management framework for consideration at its June 2007 meeting. The paper outlined a proposed framework incorporating monitoring and reporting at three levels: institutional (organization); programmatic (focal area); and project level and was built on the strategic programming for GEF-4 focal area strategies and their associated indicators. This framework marked the beginning of a shift towards a results approach from what was previously seen as a "top-down project design/approvals culture." This was highlighted by the shift in the main monitoring instrument, from the Annual Portfolio Performance Review to the Annual Monitoring Review with an expected focus on the monitoring and reporting of results across the system. Figure 1 and Figure 2 illustrate the monitoring hierarchy as described by this Framework.

Figure 1: Results Based Management at Different Organizational Levels
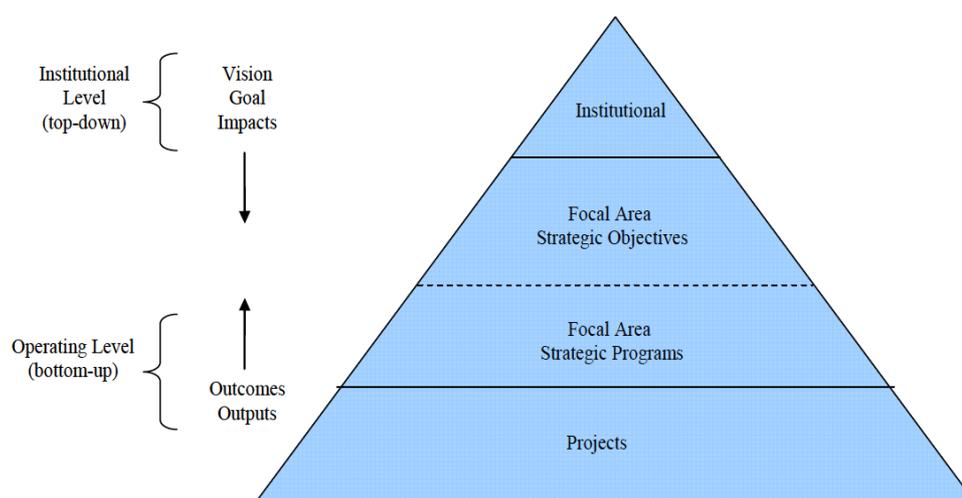
5.   The architecture of the results framework as illustrated in the pyramid above focuses on Focal area (or portfolio level) outcomes that represented the cumulative results of projects in that portfolio. The focus of the Secretariat's RBM within this framework is at the focal area results, with attention to a small set of performance and efficiency indicators across the portfolio. The Focal Area results included (i) Strategic Objectives, the indicators for which were supposed to describe, estimate and track long term goals and expected impacts, and (ii) Strategic Programs, the indicators for which described and tracked expected outcomes to be achieved by Project end. Focal Area Tracking Tools which were introduced in GEF-3 for Biodiversity were expanded into use by other Focal Areas in GEF-4 and GEF-5 and contributed to the information and analysis in the AMRs. The AMR quality thus was reflective of the quality of information reaching the Secretariat through the PIRs and Tracking Tools.

6.   Updated GEF M&E Policy 2010: In 2009, the GEF Council requested that the GEF EO revise the 2006 M&E Policy for GEF-5. The Policy was updated in 2010 and remains in effect to date. It aims to explain the concept, role, and use of monitoring and evaluation within the GEF and defines the institutional framework and responsibilities of stakeholders. It

delineated the split between monitoring and evaluation functions, emphasized the need for RBM and strengthened knowledge sharing and learning, particularly in developing strong feedback loops, and covered all focal areas programs and projects. It also identified a stronger role for GEF operational focal points and laid out minimum requirements and key principles for M&E at the project levels, with guidance to use SMART indicators[6].

7. The policy defines *Monitoring* as a continuous or periodic function that uses systematic collection of data, qualitative and quantitative, for the purposes of keeping activities on track. It is first and foremost a management instrument. The GEF is concerned with monitoring of environmental status; monitoring of environmental stress; monitoring of progress toward project outcomes; and monitoring of performance in project, program, and corporate portfolio implementation. It defines *Evaluation* as a systematic and impartial assessment of an activity, project, program, strategy, policy, sector, focal area, or other topic. It aims at assessing the relevance, efficiency, effectiveness, results, and – where feasible – sustainability of GEF interventions in the context of their contribution to global environmental benefits in GEF focal areas at the local and global levels.

8. <u>2010 RBM Workplan for GEF-5:</u> The Secretariat developed and submitted to the Council, a RBM workplan for GEF-5 in the ongoing effort to improve results monitoring at GEF. The workplan identified three main objectives for implementing RBM over the course of GEF-5, specifically to:

(a) Strengthen and update the tools and systems needed to capture standardized information;

(b) Strengthen the Secretariat's ability to collect and report on portfolio level outcome and output indicators agreed to in the GEF-5 Programming Document7; and

(c) Strengthen the KM of the GEF at the portfolio level.

9. To address these objectives, the work-plan comprised of five key components for RBM in GEF-5 including:

(a) Establishing and implementing an updated AMR process for GEF-5;

(b) Upgrading and integrating portfolio monitoring in the Project Management Information System;

(c) Developing tools to enhance portfolio monitoring;

(d) Developing and implement a KM strategy; and

(e) Providing and developing internal guidance on GEF RBM and KM.

---

[6] SMART: Specific, Measurable, Achievable and Attributable, Relevant and Realistic, and Time-bound and Trackable.
[7] GEF/R.5/31/CRP.1

RBM at Present in the GEF

Monitoring at the GEF

10.   The current results monitoring system was a first response to the direction provided by the 2010 Updated GEF M&E Policy. Monitoring is sequentially done at the project and portfolio levels. Figure 2 below illustrates the flow of results up the chain from project to the GEF network/corporate wide level.

Figure 2: Results Framework Linking Strategies, Impacts, and Indicators
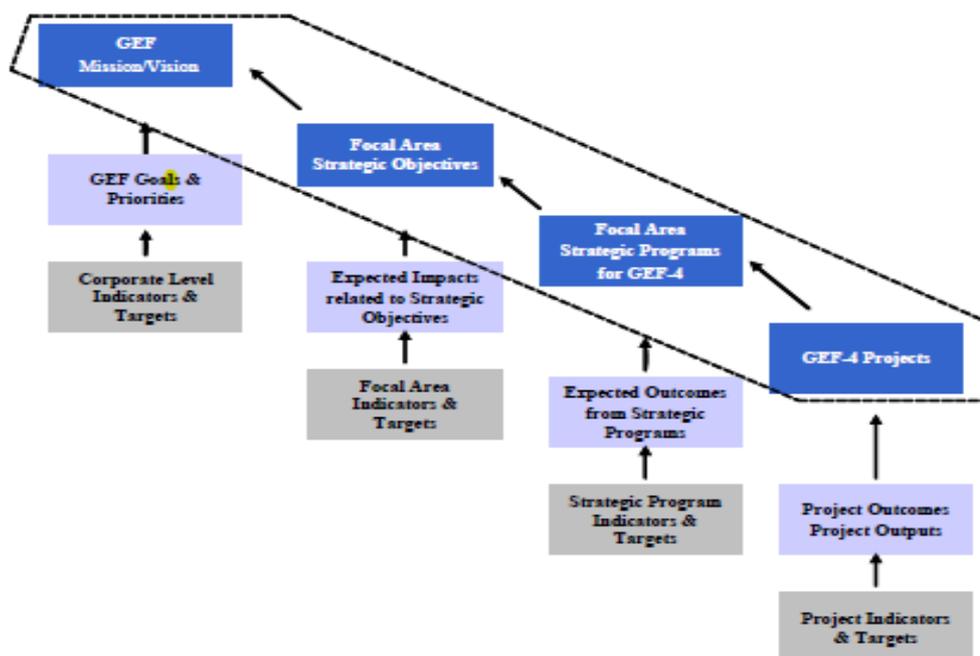
11.   A schema of monitoring is presented in the Table below. This includes data that is currently received from PIRs, tracking tools and midterm and terminal evaluations.

Project	Portfolio	Other
Contribution of Projects to focal area outcomes	Achievement of Focal Area Outcomes: (FA outcome indicators as described in the GEF 4, 5, 6 Results Framework Indicators)	Administrative costs
Project Implementation Status (Rating of likely achievement of project/global environment objective, DO and Rating of project implementation performance, IP)	Overall Portfolio Composition characteristics and Portfolio Health indicators	Reporting to Convention Secretariats
Co-financing planned/achieved	Co-financing for portfolio	Ad-hoc Council Requests
	Project cycle efficiency Indicators Time taken between: - Submission of concept to acceptance into GEF work-	Management Effectiveness

Project	Portfolio	Other
	program - Acceptance of concept to CEO Endorsement Endorsement to first disbursement (i.e. project start)	
Lessons Learned	Portfolio level knowledge/lessons	
	Commitments and Disbursements by focal areas outcomes	

Reporting at the GEF

12.   The main instruments for reporting by the GEF to the Council are as follows:

Origin and Destination	Instrument
GEF Secretariat to GEF Council	✓ Annual Monitoring Reports Part I (November) and Part II (June) ✓ Ad-hoc requests responses
GEF Secretariat to Convention Secretariats (CBD, UNCCD, UNFCCC, etc.)	✓ Focal Area Reports to the conventions (Annex 2)
GEF to External Audience	✓ GEF website and Data Mapping Portal ✓ GEF publications ✓ Social Media Outputs (YouTube, Facebook, Twitter, Flickr, etc.)
GEF IEO to GEF Council	✓ Annual Performance Report ✓ Evaluation reports

13.   The *Annual Monitoring Review (AMR)* is the principal reporting tool of the GEF. It provides an annual snapshot of the overall state of the GEF's active portfolio. The AMR is based on individual Project Implementation Reports (PIRs), Mid-term Reviews (MTRs), Terminal Evaluations (TEs), in addition to Tracking Tools (TTs), submitted by each partner Agency for projects under implementation in a given fiscal year. It also relies on information gathered from the GEF Secretariat's Project Management Information System (PMIS) that analyze the performance of larger periods. Part I of the AMR presented in the fall contains a quantitative overview of information on the portfolio under implementation, and Part II, presented in the spring, contains more in-depth analysis of outcomes, experiences, and lessons learned.