



GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

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Agenda item 9

MANAGEMENT RESPONSE TO:

**FORMATIVE EVALUATION OF THE GEF INTEGRATED APPROACH TO ADDRESS
THE DRIVERS OF ENVIRONMENTAL DEGRADATION**

INTRODUCTION

1. The Secretariat welcomes the report on the “Formative Evaluation of the GEF Integrated Approach to address the Drivers of Environmental Degradation,” and appreciates the overall approach to assessing effectiveness of the integrated approach programming. Although the GEF-6 Integrated Approach Pilot (IAP) programs are yet to reach completion, the findings on their relevance and strategic importance for tackling major drivers of environmental degradation are particularly noteworthy. The Secretariat also noted findings related to progress made with harnessing and building on design lessons from the IAP programs to GEF-7 Impact Programs.
2. The Secretariat notes the cross-linkages between findings from this Evaluation and those of other OPS-7 Evaluations currently being presented to Council, such as the “Evaluation of GEF Engagement with Micro, Small and Medium Enterprises (MSMEs)”¹ and the “GEF Support to Innovation – Findings and Lessons,”² both of which make explicit reference to the role of integrated programming as a source of innovation.
3. The Secretariat is confident that the findings will contribute toward strengthening the integrated approach programming as a means of investing in global environmental benefits, including the potential to:
 - a) harness the GEF’s institutional comparative advantages and convening power,
 - b) address objectives of multiple MEAs and GEF focal area strategies, and
 - c) align with national environmental priorities, programs, and initiatives of recipient countries, without hindering their ability to report to the UN conventions.
4. The Secretariat recognizes the operational and project cycle challenges identified and welcomes recommendations made to address them in an efficient manner. This management responses focuses on specifically on the recommendations and strategies for addressing them going forward.

¹ This Analysis finds that as the GEF has shifted into more integrated approaches, it has also increasingly engaged MSMEs not only as a source of innovation and as beneficiaries, but also as partners in scaling up the generation of global environmental benefits. GEF/E/C.60/05, *Evaluation of GEF Engagement with Micro, Small, and Medium Enterprises*, https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.E_C60_05_MSME_Evaluation1.pdf

² This analysis finds that the design of the ongoing projects in integrated programs of GEF-6 and GEF-7 commonly incorporates innovation. GEF/E/C.60/02, *GEF Support to Innovation – Findings and Lessons*, https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.E_C60_02_GEF_Support_to_Innovation.pdf

RECOMMENDATION 1

“To make the ongoing efforts in aggregate program-level reporting effective, the GEF Secretariat must clarify program-level reporting requirements for Lead Agencies. The value-added potential of integrated programming is there but must be measured. Program-level monitoring and reporting requirements must be better codified in project cycle practices. Global and regional coordination projects should not be required to report on global environment benefits in all cases. Some relevant intermediate results linked to the program theory of change—not just global environment benefits—should be aggregable across child projects.”

5. The GEF welcomes this recommendation and considers it a critical step in the evolution of the integrated approach programming. Program-level coordination is a critical aspect of the integrated programming, and key for achieving coherence and consistency, and ensuring the whole of is greater than sum of the parts. The limitations on program-level monitoring highlighted by the evaluation are based on existing requirements as stipulated in the policy on monitoring. The policy only requires that the Lead Agency highlights program-level activities and achievements, including progress towards program-level outcomes, major milestones achieved through overall program implementation, and engagement in regional or global fora as a means to advance the overall program goal.³

6. To address the recommendation, the Secretariat will consider that the following requirements are codified in the guidelines specifically for the integrated programs:

- a) Coordination child projects to be designed alongside the Program Framework Document to ensure that program priorities including theory of change, results framework, and governance mechanisms are well established at the time of PFD submission for Work Program inclusion and Council approval,⁴
- b) Coordination child projects to be exempt from direct contributions to core indicator targets and instead focus primarily on aggregating results across child projects under the program,
- c) Country / thematic child projects approved as a cohort under integrated programs to follow as close as possible similar timelines to CEO endorsement, and milestones for monitoring and reporting during implementation.

³ Policy on Monitoring, GEF/C.56/03/Rev.01 (https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.56.03.Rev_01_Policy_on_Monitoring.pdf)

⁴ The guidance will take note of STAP guidelines for “Planning for integration: Addressing multiple benefits at project identification stage and in project design” (<http://www.stagef.org/policy-briefs>)

RECOMMENDATION 2

“The GEF Secretariat and Lead Agencies should work to further catalyze and demonstrate the value addition of a programmatic approach to integration. Specific actions include:

- a) The GEF Secretariat should ensure that global and regional coordination projects are designed before child projects or at least with some logical staging so they are not designed fully in parallel to ensure value addition from the start. Lead Agencies’ coordination and integration role during design may require funding beyond the normal project preparation grant. Depending on program objectives and scope, additional funds should be available.*
- b) Lead Agencies should consider implementation activities that support systems-based thinking—such as midterm systems-based workshops to review drivers and barriers—and adapt accordingly.*
- c) In design and throughout implementation, the Lead Agency, under the guidance of the GEF Secretariat, should clarify operational roles and responsibilities for working with the private sector entities involved in value chains on multinational, national, and subnational scales.”*

7. The Secretariat welcomes this recommendation and specific actions proposed for strengthening the Lead Agency role. The GEF-7 IPs already embody some of the functions and responsibilities proposed here for Lead Agency. The Secretariat notes the specific reference made to additional funding requirements for Lead Agencies and commits to addressing this in future programming.

8. Building on project cycle updates proposed for the previous recommendation, the Secretariat in consultation with agencies, will work on an updated Terms of Reference for Lead Agencies of Programs, taking into specific consideration the following:

- a) Need to deliver a fully designed framework for the coordination child project along with the Program Framework Document to facilitate improved collaboration and interaction between the coordination project and the country level projects during the design and implementation phases
- b) Need for engagement with country child projects to ensure alignment and consistency with the program approach and results framework
- c) Commitment to implementation activities that support systems-based thinking—such as midterm systems-based workshops to review drivers and barriers—and adapt accordingly
- d) Need to clarify operational roles and responsibilities for working with the private sector entities involved in value chains on multinational, national, and subnational scales.

RECOMMENDATION 3

“The GEF should ensure a greater diversification in the countries included in integrated programs. While programs have addressed relevant environmental issues in major countries, the GEF should be more inclusive of smaller countries, such as small island developing states.”

9. The Secretariat notes this recommendation, and is already taking steps to enhance greater diversification of countries in the integrated programs proposed for the Eighth Replenishment Cycle (GEF-8). Because the GEF-6 IAP programs and GEF-7 IPs were more focused on overall impact on a global scale, countries that were most critical for tackling the relevant drivers of environmental degradation were favored in the final selection.

10. The criteria applied were not entirely conducive of the insertion of countries that showed lower potential for delivery of GEBs at scale. Smaller STAR allocations from LDCs and SIDS further limited their ability to join in the programs. Although a few LDCs and SIDS expressed interest in joining the programs, those that did were selected based on demonstration of their potential to achieve impactful outcomes.

11. Going forward, the process to promote greater diversification of countries in the Integrated Programs will also draw from the recommendations of the earlier IEO “Strategic Country Cluster Evaluation of the Small Island Developing States to increase the number of integrated interventions in SIDS”.⁵ The Integrated Programs proposed for GEF-8 will create opportunity for recipient countries to embrace pathways toward an equitable, nature-positive and carbon neutral world beyond COVID-19. One of the programs is specifically focused on supporting green and blue recovery in SIDS, which will support the integrated approach needed to address interconnected environmental challenges driven by key sectors such as tourism, food (agriculture, fisheries) and urban development.

CONCLUSION

12. With the progress and achievements made in GEF-6 and GEF-7, the GEF is now well positioned to help countries pursue holistic and integrated approaches for transformational change in the economic systems, and in line with their national development priorities. The findings and recommendations from this evaluation will contribute to further strengthening the integrated approach programming and ensure that the Secretariat continues to mainstream the integration of GEF investments as the most impactful and efficient modality of use of limited GEF resources. The GEF-8 architecture relies on integrated programs contributing to systems change which in turn meets multiple convention goals and will be a central component of each focal area strategy.

⁵ GEF/ME/C.57/02, *Strategic Country Cluster Evaluation of the Small Island Developing States*, https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.ME_C57_02_IEO_SCCE_SIDS_Dec_2019_F.pdf

13. The formative evaluation has also shed light on the considerable opportunity for knowledge generation and learning from the integrated programming. This Secretariat together with STAP and Lead Agencies will continue to strengthen this aspect, including through joint workshops where emerging lessons can be synthesized and validated for dissemination as a public good. In addition, the Secretariat will continue to include “deep dives” on the integrated programs in the Annual Monitoring Reports for Council.

14. The Secretariat will track progress on the implementation of each of the recommendations and report to Council, including through the IEO’s standard Management Action Record.