

49th GEF Council Meeting
October 20 – 22, 2015
Washington, D.C.

Agenda Item 12

**SEMI-ANNUAL EVALUATION REPORT OF THE
GEF INDEPENDENT EVALUATION OFFICE**

GEF MANAGEMENT RESPONSE

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MANAGEMENT RESPONSE

1. The GEF Independent Evaluation Office (IEO) has submitted its second Semi-Annual Evaluation Report (SAER) (GEF/ME/C.49/01) for the October 2015 Council Meeting. The SAER presents the findings and recommendations of the following evaluations:

- (a) Joint Impact Evaluation of GEF Support to Protected Areas and Surrounding Landscapes.
- (b) Morocco Country Portfolio Evaluation
- (c) Knowledge Management Needs Assessment
- (d) Review of the Climate Eval Community of Practice.

2. This document, Management Response to the Joint Impact Evaluation of GEF Support to Protected Areas and Surrounding Landscapes (GEF/ME/C.49/02), is the GEF Management's response to the protected areas evaluation only; no response is expected from the other evaluations covered in the second SAER. The response was prepared by the GEF Secretariat (GEFSEC), in consultation with the GEF Agencies.

3. The GEFSEC and Agencies appreciate the manner in which the protected areas evaluation was conducted, with extensive consultation and collaboration with a wide variety of stakeholders and, in particular, the Secretariat and Agencies. The mixed-methods, multi-disciplinary approach employed by the evaluation allowed for a more comprehensive and nuanced analysis of the complex nature of GEF investments to strengthen protected area management and protected area systems, as well as being skillfully designed in order to compensate for some of the challenges experienced with gaps in available data. As a result of this innovative approach, the evaluation was able to go beyond providing solely an analysis of outcomes and impacts from past investments and suggestions for how to build on GEF's successful history in supporting protected area management, but it was also able successfully to identify opportunities to use in the future new approaches and technologies to more accurately monitor GEF's protected area investments at both the project and portfolio level.

4. The evaluation presented the following five conclusions:

- (a) Conclusion 1: Loss of global biodiversity continues at an alarming rate, driven largely by habitat loss due to multiple development pressures. Since the pilot phase, GEF strategies have increasingly targeted these development pressures beyond the PAs.
- (b) Conclusion 2: GEF support is contributing to biodiversity conservation by helping to lower habitat loss in PAs as indicated by less forest cover loss in GEF-supported PAs compared to PAs not supported by GEF. GEF-supported PAs also generally show positive trends in species populations, and reduced pressures to biodiversity at the site level.

- (c) Conclusion 3: GEF support has helped to build capacities that address key factors affecting biodiversity conservation in PAs, mainly in the areas of PA management, support from local populations, and sustainable financing. Sustainable financing of PAs remains a concern.
- (d) Conclusion 4: GEF support is contributing to large-scale change in biodiversity governance in countries by investing in PA systems, including legal frameworks that increase community engagement. Through interventions at the PA level, GEF support is also helping to catalyze gradual changes in governance and management approaches that help to reduce biodiversity degradation.
- (e) Conclusion 5: While sharing important characteristics with governments and other donors, GEF support allows adaptability and higher likelihood of broader adoption in cases where it pays particular attention to three key elements in combination: long-term investment, financial sustainability, and creation of links across multiple approaches, stakeholders and scales.

5. The Secretariat and Agencies take note of and agree with Conclusion 1 which supports the rationale embedded in the GEF-6 biodiversity strategy. GEF's investment to improve management effectiveness of protected areas and protected area systems helps ensure the provision of economically valuable ecosystem goods and services; thus securing core elements of a country's ecological infrastructure. Development and resource use external to the protected area estate, however, often degrades biodiversity and ecosystem goods and services and can negatively impact human livelihoods. Therefore, GEF supports targeted threat reduction and the promotion of the sustainable use of biodiversity to help secure protected areas while contributing to local and national economies. In addition, biodiversity mainstreaming—a critical element of GEF's biodiversity strategy-- embeds biodiversity considerations into policies, strategies, and practices of key public and private actors that impact or rely on biodiversity. Mainstreaming enables biodiversity to persist across entire landscapes and seascapes, including protected areas. We welcome the affirmation provided by this conclusion which supports GEF's biodiversity strategy as a comprehensive response to the drivers of biodiversity loss, many of which originate outside the protected area estate, and we agree that this multi-scaled approach is necessary to ensure the persistence of biodiversity in protected areas themselves.

6. The Secretariat and Agencies also welcome Conclusions 2, 3, 4, and 5 which indicate GEF's considerable achievement in improving the management effectiveness of protected areas and protected area systems as demonstrated through reduced pressures on biodiversity at the site level, positive trends in species populations, and conserved and intact habitat in GEF-supported protected areas. We welcome the evidence that validates GEF's current strategy of improving the management effectiveness of protected areas and protected area systems through a combination of building institutional and individual capacity, improving financial sustainability of entire systems, ensuring ecological representation, along with concentrated site-based support and active community engagement. In addition, the acknowledgement that

investments in protected area systems require long-term engagement supports the Secretariat and Agencies own conclusions, as noted in previous Annual Monitoring Reviews. Finally, we agree that GEF has a unique role to play in creating links across multiple stakeholders and scales and GEF will continue to support the establishment of these linkages.

Response to the Recommendations from the Evaluation

7. We welcome and agree with the five recommendations outlined in the report and look forward to working with the GEF partners – GEFSEC, GEF Agencies, STAP, IEO and the countries – and other organizations to further enhance the results and impacts of the GEF’s investments in biodiversity conservation.

8. Recommendation 1: Ensuring that GEF support targets areas rich in global biodiversity.

The Secretariat and Agencies agree with Recommendation 1 that GEF should continue to ensure that GEF support be targeted to globally significant sites with high biodiversity values, which has been a fundamental criterion for project eligibility since the inception of the GEF. For example, the GEF has recently joined the newly formed Key Biodiversity Area (KBA) Partnership which is aimed at facilitating the use of the KBA approach in identifying national, sub-national, and regional level sites of global biodiversity significance, using globally standardized criteria (i.e. vulnerability and irreplaceability) and thresholds. This methodology would be complemented with geospatial analysis tools to support multi-criteria decision-making on biodiversity conservation and prioritization.

9. This focus was explicitly defined and emphasized throughout the GEF-6 biodiversity strategy in all relevant site-based programs including Program 1: “Improving Financial Sustainability and Effective Management of the National Ecological Infrastructure”, Program 2: “Nature’s Last Stand: Expanding the Reach of the Global Protected Area Estate”, and Program 9: “Managing the Human-Biodiversity Interface”. The GEF-6 strategy introduced the application of the criteria used to define Key Biodiversity Areas, including provisional thresholds for criteria of vulnerability and irreplaceability, which represents a concrete step forward in ensuring that GEF support is targeted to globally significant sites with high biodiversity values.

10. Recommendation 2: Addressing the socioeconomic conditions that will ensure local community commitment to biodiversity protection. The Secretariat and Agencies are committed to ensure that GEF protected area projects are designed and implemented in a way that results in shared benefits among the intended beneficiaries. In addition, the Secretariat and Agencies are committed to continuing to apply the GEF Environmental and Social Safeguards, as well as those of the Implementing Agencies.

11. The Secretariat and Agencies will aim to exploit opportunities within its protected area portfolio to further develop the evidence base to better predict the factors that influence whether protected area projects have positive or negative impacts on livelihoods and benefits. The GEF biodiversity strategy provides funding through the biodiversity focal-area set aside to support the implementation of experimental and quasi-experimental design that may be used to support this kind of analysis.

12. In addition, the GEF Secretariat is currently working with STAP to develop operational guidance on how to design protected area projects so that they generate evidence on what works and under what conditions with regards to improving livelihoods and how to most accurately measure and monitor socio-economic benefits through field-tested methods such as: 1) Detailed livelihood surveys; 2) Social assessment of protected areas (SAPA); and 3) Financial value chain method.

13. **Recommendation 3: Investing in broader governance issues to address large-scale drivers.** The Secretariat and Agencies agree that the GEF should invest more in interventions that enable dialogue and joint decision-making with multiple stakeholders in and around PAs, and also with stakeholders representing different sectors and operating at different scales – PA, landscape, PA system, national ministries -- that tend to have conflicting development priorities and management objectives with regards to biodiversity conservation. The GEF's biodiversity strategy has long recognized the critical importance of this aspect of biodiversity management and it is the primary rationale for GEF's support to biodiversity mainstreaming in GEF-6 as supported through Program 9: "Managing the Human-Biodiversity Interface" and Program 10, "Integration of Biodiversity and Ecosystem Services into Development and Finance Planning". Program 9 engages actors outside the traditional environment sectors and aims to support development of policy and regulatory frameworks that remove perverse subsidies and provide incentives for biodiversity-friendly land and resource use that remains productive but that does not degrade biodiversity; including the application of spatial and land-use planning to ensure that land and resource use is appropriately situated to maximize production without undermining or degrading biodiversity.

14. Program 10 complements the work undertaken in Program 9 through national-level interventions that link biodiversity valuation and economic analysis with development policy and finance planning. The outcome from these projects will be biodiversity valuation that informs policy instruments and fiscal reforms designed to mitigate perverse incentives leading to biodiversity loss. These may be linked to larger policy reforms being undertaken as part of the development policy dialogue, development policy operations, or other efforts. It will also include specific support to reform finance flows, for instance through public expenditure reviews, and to operationalize innovative finance mechanisms such as payments for ecosystem services, habitat banking, aggregate offsets, and tradable development rights and quotas. Thus, the GEF-6 strategy presaged Recommendation 3 in many ways and the Recommendation is consistent with findings of the GEF's own monitoring analyses conducted through the AMR process in the biodiversity focal area.

15. **Recommendation 4: Developing a more reliable and practical monitoring system to track and assess results at the project and portfolio levels.** The Secretariat and the Agencies agree that basic information on GEF support to PAs (where, what and when) that is currently collected through project documents and the biodiversity tracking tools, including the Management Effectiveness Tracking Tool (METT), must be more easily available for informational and analytical purposes. The Secretariat will address this element of the recommendation through GEF's ongoing improvement of internal data management processes

as well as the new RBM system.

16. We acknowledge that recent advances in geospatial technology, and the availability of global and local databases provide opportunities to significantly improve results monitoring and reporting. We believe that the development of geospatial technology for project and portfolio results monitoring, as part of the GEFSEC's work on Results Based Monitoring and Knowledge Management, would help to significantly improve reporting on results and impacts.

17. The Management Effectiveness Tracking Tool (METT) has long served a useful purpose at both the project and portfolio level to identify protected area management weaknesses and to monitor progress in improving PA management effectiveness over time. In addition, the METT has been shown to be a reliable proxy of biodiversity condition (Results of the GEF Biodiversity Portfolio Learning and Review Missions, Zambia (2010) and India (2012): Enhancing Outcomes and Impact through Improved Understanding of Protected Area Management Effectiveness¹) and the METT score does provide a useful reflection of management realities thus demonstrating its additional value as a biodiversity metric useful at the project level and one that can be aggregated at the portfolio level to show portfolio performance trends vis a vis management effectiveness and biodiversity condition².

18. Furthermore, as noted in the evaluation, GEF's introduction of the METT as a project reporting requirement has provided the spark for many countries to develop their own more comprehensive approaches to assessing protected area management effectiveness thus building institutional capacity of protected area administrations and improving protected area monitoring.

19. Notwithstanding its proven utility both within and outside of the GEF, we agree with the evaluation that the METT has shortcomings particularly with regards to monitoring biodiversity outcomes and condition within protected areas, an element that was never intended as critical for the METT when it was first created. In response to these shortcomings, the GEF improved the METT for application in GEF-6 and incorporated more objective and data driven assessments of protected area outcomes and biodiversity condition. This revised METT has been introduced for use in GEF-6.

20. The Secretariat and the Agencies acknowledge the potential value of further streamlining the METT in conjunction with using existing global datasets and geospatial data to perform more meaningful analyses on management effectiveness and biodiversity impacts at the national and global levels. Therefore, GEF will explore further refinement of the METT as we approach GEF-7.

¹http://www.thegef.org/sites/default/files/documents/Biodiversity_Learning_Mission_Report_Zambia_.pdf

² Geldmann, J., et. al., 2015)², Changes in protected area management over time: A global analysis. *Biological Conservation* (191), 692-699

21. **Recommendation 5: Investing in understanding what works and why.** The Secretariat and Agencies agree that GEF partners, including the Independent Evaluation Office, the Secretariat, STAP, and the Agencies should jointly exploit opportunities to generate evidence and deepen understanding on what works, for whom, and under what conditions across the entire realm of biodiversity management options. We believe this could be anchored in GEFSEC's work on strengthening the GEF partnership and on knowledge management efforts also underway in GEF-6. As noted previously in this management response, the GEF biodiversity focal area set-aside provides funding to support the inclusion of experimental design approaches within GEF projects to help improve our understanding of what works in conservation while contributing to the evidence base. In addition, the GEF is currently working with STAP on a number of these issues already, including developing operational guidance on how to design protected area projects so that they generate evidence on what works and under what conditions with regards to improving livelihoods, as well as further analysis of biodiversity impacts resulting from GEF's biodiversity mainstreaming investments. The evaluation used a number of other evaluative tools and approaches that gathered evidence of outcomes and impact, and the Secretariat and the Agencies will consider how these can be used going forward as this recommendation is implemented.