GLOBAL ENVIRONMENT FACILITY
INVESTING IN OUR PLANET

GEF/R.6/Inf.13
March 20, 2013

Fourth Meeting for the Sixth Replenishment of the GEF Trust Fund
April 16-17, 2014
Geneva, Switzerland

UPDATED VERIFICATION NOTE ON THE REALIZATION OF GEF-5 TARGETS

(Prepared by GEF Independent Evaluation Office in
Consultation with the GEF Secretariat)

1. Overview and Key Findings

1. This note presents findings of an assessment, undertaken by the GEF Independent Evaluation Office and Secretariat, to determine the degree to which GEF-5 projects can be expected to meet overall GEF-5 replenishment targets. Targets to be achieved through the use of GEF-5 Trust Fund resources are defined in Annex 2 of the May 2010 GEF programming document, which emerged from the final GEF-5 replenishment negotiations.[1]

2. Because implementation is at a very early stage or yet to begin for most GEF-5 projects, measuring actual progress towards achieving targets is not yet possible. Nevertheless, targets given in project documents do provide a useful preliminary estimation of the extent to which overall GEF-5 programming targets can be expected to be achieved. This statement is supported by the GEF EO APR 2012 finding that over the past eight years, 84% of completed GEF projects have been rated in the satisfactory range[2] on overall outcome achievements.[3] While the link between project outcome ratings and results achieved or anticipated to be achieved is not direct, a conservative approach holds that for GEF projects to be successful in achieving replenishment targets, these project-level targets would therefore need to capture more than 100% of replenishment targets in aggregate upon full utilization of GEF-5 resources.

3. Using a cutoff date of December 31, 2013, and considering all GEF-5 projects that had reached the PIF approval stage, around 76% of focal area resources have been utilized, with individual focal area utilization ranging from 58% of International Waters resources to 91% of Chemicals resources (see section 2). From these utilization levels, and taking the adjusted[4] project-level targets for each focal area indicator, a preliminary assessment can be given as to the extent to which GEF-5 projects are on track to meet overall replenishment targets. Of the 13 focal area indicators in the programming document, GEF-5 projects are on track to meet or exceed targets for 8 indicators, with achievements measured by 3 other indicators anticipated to be close to replenishment targets. Two indicators in the Land Degradation focal area are well below replenishment targets. While 7 Land Degradation projects at the PIF stage currently lack discrete targets that may emerge as these projects advance to the CEO endorsement/approval stage, the additional contribution from these projects is unlikely to change the overall assessment of progress towards replenishment targets for this focal area. The findings suggest that further refinement of land degradation targets and/or indicators is needed for the GEF-6 results-based monitoring system.

[1] GEF Secretariat, 2010. *Summary of Negotiations – Fifth Replenishment of the GEF Trust Fund*. GEF/A.4/7. Available online at: http://www.thegef.org/gef/4th_assembly_summary_negotiation

[2] As is standard convention in development practice, the "satisfactory range" includes projects with overall Outcome ratings of moderately satisfactory or above.

[3] GEF EO 2013. Annual Performance Report 2012. Available online: http://www.thegef.org/gef/APR%202012

[4] Adjusted here assumes a portfolio-wide 20% failure rate and that, in aggregate, 80% of project-level targets will be achieved. See Section 2 for a fuller discussion of the basis for this adjustment.

Table 1. Overall assessment of the degree to which GEF-5 projects are on track to meet replenishment targets, by focal area and indicators.

Focal Area	Indicators	Progress assessment
Biodiversity	Protected areas management	Likely that achievements will be slightly below targets
	Production landscapes/seascapes	Likely that achievements will be slightly below targets
Chemicals	Obsolete pesticide disposal including POPs	On track to meet or exceed replenishment target
	PCB waste disposal or decontamination	Likely that achievement will be slightly below target
Climate Change	GHG reductions (non-LULUCF)	On track to meet or exceed replenishment target
	Demonstration of innovative technologies	On track to exceed replenishment target
	Installed renewable energy capacity	On track to exceed replenishment target
	GHG reductions from LULUCF	On track to meet or exceed replenishment target
International Waters	Transboundary water systems target	On track to meet or exceed replenishment target
	Large Marine Ecosystems target	On track to exceed replenishment target
Land Degradation	Agricultural/rangeland systems under SLM	Likely that replenishment target will not be met
	Forest under SFM	On track to exceed replenishment target
	Wider production landscapes under sustainable mgmt.	Likely that replenishment target will not be met

*Using a cutoff date of December 31, 2013, and considering all GEF-5 projects that have reached the PIF approval stage, excluding Parent, Enabling Activity and SGP projects.

2. Methodology

4. To track the degree to which GEF-5 projects may be anticipated to meet GEF-5 replenishment targets, the GEF Secretariat and Evaluation Office assembled a dataset containing targets for all GEF-5 projects that have reached the PIF approval stage or beyond in the GEF project cycle as of December 31, 2013, excluding Enabling Activities and Small Grants Programme (SGP) projects. The accuracy of the dataset was verified by the GEF Independent Evaluation Office using a random sampling methodology. The dataset was found to be reliable although data for some of the projects was revised.[5] Findings presented here are drawn from the dataset of verified project-level targets.

5. As of December 31, 2013, 724 GEF-5 projects funded all or in part using GEF Trust Fund resources had reached the PIF approval stage or beyond.[6] These 724 projects account for $3.07 billion in GEF Trust Fund resources. Of these, 185 are Enabling Activity projects which, although important, are not expected to have a direct causal linkage in securing global environmental benefits. Their results are not reflected in the aggregated project-level targets although the amount utilized for these projects has been taken into account to determine the coverage of the portfolio through this analysis. Further, 12 projects are from the Small Grants Program and another 29 projects are developed under the Cross-Cutting Capacity Development Framework, results from which are not contained in the overall focal area replenishment targets.

[5] Project-level targets assembled by the GEF Secretariat were selected at random for verification by the GEF EO, such that no less than 30% of targets for each indicator were verified. For all indicators, differences between aggregated targets assembled by the GEF Sec and GEF EO were no larger than 5%, which supported the use of non-verified targets. Where project-level targets differ, this analysis relies upon targets compiled by the GEF EO.
[6] Sixteen "Parent" projects were excluded from analysis as these projects are subsequently implemented as multiple "Child" projects.

These projects were also excluded from further analysis. The remaining 498 GEF-5 projects, accounting for $2.69 billion in GEF Trust Fund resources, are the source of aggregate project-level targets presented in this analysis. These projects are shown in table 2 by project status.

Table 2. GEF-5 projects that have reached the PIF approval stage as of December 31, 2013, excluding Parent projects, Enabling Activities, SGP projects, and Cross-Cutting Capacity Development projects. These 498 projects are the source of aggregate project-level targets presented in this assessment.

Project status	Number of projects	Total GEF funding (millions USD)*
CEO Endorsed	112	709.5
CEO Approved	51	56.0
PIF approval	335	1,922.1
Total	498	2,687.6

* GEF funding is inclusive of Agency fees and PPG costs (where applicable) and includes only GEF Trust Fund resources in the case of multi-trust fund projects.

6. To facilitate the preliminary estimation of the degree to which GEF-5 projects are on track to meet GEF-5 replenishment targets, Table 3 shows the percentage of focal area resources utilized to date by projects at the PIF stage or beyond. From the $4.2 billion GEF-5 programming target, and excluding Corporate Programs, the Small Grants Program, Outreach to the Private Sector and the Corporate budget, there is a total of $3,790 million in GEF-5 focal area funding resources available.[7] Using a cutoff date of December 31, 2013, and considering only projects that have reached the PIF stage and beyond, and excluding Parent projects and Cross-Cutting Capacity Development projects, and including STAR focal area contributions to the SGP programme, some $2.9 billion in GEF-5 funding has been utilized, representing 76% of focal area resource overall. It should be noted that utilization figures in table 2 are in-line with those presented in the work program document[8] to the November 2013 meeting of the GEF Council, with differences due to a later cutoff period and exclusion of parent projects in the analysis presented here.

[7] GEF Secretariat, 2010. *Summary of Negotiations – Fifth Replenishment of the GEF Trust Fund*. GEF/A.4/7, Table 8.
[8] GEF Secretariat, 2013. Work Program. Working document, GEF/C.45/08. Available online at: http://www.thegef.org/gef/node/9964

Table 3. Distribution of GEF-5 funding and portion of focal area resources utilized by projects that have reached the PIF approval stage or beyond as of December 31, 2013, excluding parent programs and including STAR focal area contributions to SGP.

Focal Area	Total focal area funding (millions of dollars)*	Total GEF funding utilized to date (millions USD)**	Percentage of focal area funding utilized to date**
Biodiversity	1,200	946.5	79%
Chemicals	420	382.6	91%
Climate Change	1,350	1,022.9	76%
International Waters	420	243.6	58%****
Land Degradation	400	302.6	72%
Total	3,790	2,898.3	76%

* Indicative resource totals taken from Table 8 of GEF-5 May 2010 programming document.
** GEF funding includes only GEF Trust Fund resources in the case of multi-trust fund projects. In addition, the portion of focal area funding represented in multi-focal area projects is factored in, as is funding from the SFM/REDD+ set aside program.
*** Because countries are afforded some flexibility in utilizing STAR allocations, the figures should be treated as a rough indication of focal area resources utilized.
****Resource utilization of the IW focal area does not include PFD totals; IW total utilization as per the 45th Council meeting was at 66 % (see GEF/C.45/08)

7. To estimate the degree to which GEF-5 projects are likely to meet replenishment targets, this analysis makes two key assumptions: (1) that GEF-5 outcome ratings will roughly match historical ratings and cancellation patterns, which find some 80% of GEF projects in the satisfactory range9; and (2) that outcome ratings are correlated to the achievement of project results such that in aggregate, targets originating from satisfactorily rated projects will be achieved, and targets originating from unsatisfactorily rated projects will not be achieved.

8. The second assumption has yet to be examined in detail throughout the GEF portfolio. However, findings from a GEF IEO OPS5 sub-study on the GEF climate change mitigation portfolio show that, for the subset of completed projects with revised estimates for GHG mitigation, the aggregate amount of mitigation was significantly greater than the target at CEO endorsement/approval despite just over half of these projects meeting or exceeding their original mitigation targets.[10] Thus, from a portfolio-wide perspective, the assumption used in this analysis regarding the anticipated level of results to be achieved given past performance is likely to be a conservative one.

[9] Over the past eight years, 84 percent of GEF projects have overall outcome ratings in the satisfactory range (GEF EO APR 2012). However, for this analysis an adjustment factor of 80 percent has been used to estimate the percentage of GEF projects that will be implemented and have outcomes rated in the satisfactory range. The use of this adjustment factor is justified as past experience shows that some of the approved projects eventually get cancelled without disbursement. The outcomes of these projects are not rated. When cancellations are taken into account the number of projects with outcomes rated in the satisfactory range vis-à-vis number of approved projects drops to around 80 percent.
[10] GEF IEO, 2014. OPS5: Technical Document # 20 – GEF Climate Change Mitigation GHG Analysis. Available online at: http://www.thegef.org/gef/OPS5

3. Progress towards GEF-5 Replenishment Targets

9. As shown in table 3, as of December 31, 2013, utilization of GEF-5 focal area resources by projects at the PIF stage and beyond ranges from 58% of International Waters resources to 91% of Chemicals resources, with 76% of focal area resources utilized overall. From these numbers, a preliminary assessment of the degree to which GEF-5 projects are on track to meet GEF-5 replenishment targets can be provided. Table 4 shows the 13 focal area targets found in the May 2010 replenishment document, the percentage of replenishment targets captured in aggregate GEF-5 project-level targets to date, and the estimated percentage of replenishment targets that will be achieved from these projects.11 Of the 13 focal area indicators in the programming document, GEF-5 projects are on track to meet or exceed targets for 8 indicators, with achievements measured by 3 other indicators anticipated to be close to replenishment targets. Two indicators in the Land Degradation focal area are well below replenishment targets. While 7 Land Degradation projects at the PIF stage currently lack discrete targets that may emerge as these projects advance to the CEO endorsement/approval stage, the additional contribution from these projects is unlikely to change to overall assessment of progress towards replenishment targets for this focal area.

[11] Note that it is not possible to present in table 4 the amount of focal resources utilized by focal area indicator as focal area indicators do not uniformly line up with focal area funding groupings in project documents.

Table 4. Strategic goals and targets from the May 2010 GEF-5 programing document, summation of project-level targets to date, and estimated percentage of replenishment targets that will be achieved from GEF-5 projects that have reached PIF approval stage to date (December 31, 2013).

Focal area	Strategic goal	Targets under $4.2 billion replenishment	GEF-5 project-level targets (aggregate total to date)	Percentage of replenishment target contained in project-level targets to date	Estimated % of replenishment target to be achieved from projects to date*
Biodiversity	Improved sustainability of protected area systems	Effective conservation and management of 170 million hectares of protected areas	44.8 million Ha of new protected areas; 109.5 million Ha of existing protected areas	**91%** of target**	**73%** of target**
	Sustainably managed landscapes and seascapes that integrate biodiversity conservation increased	Sustainable use and management of biodiversity in 60 million hectares of production landscapes and seascapes	46.9 million Ha of production landscapes; 606,454 Ha of production seascapes	**79%** of target	**63%** of target
Chemicals	Phased out and reduced releases of POPs, ODS, and other chemicals of global concern	10,000 tons of obsolete pesticides, including POPs, disposed of in an environmentally sound manner	11,860 tons of obsolete pesticides, including POPs, disposed of in an environmentally sound manner	**119%** of target	**95%** of target
		23,000 tons of PCBs and PCB-related wastes disposed of or decontaminated	22,950 tons of PCBs and PCB-related wastes disposed of or decontaminated	**100%** of target	**80%** of target
Climate Change	Slowed growth in GHG emissions to the atmosphere from demonstration and transfer of advanced low-carbon technologies and deployment and diffusion of technologies in energy efficiency, renewable energy, and sustainable transport and urban systems	500 million tons of CO2-equivalent emissions avoided	500 MtCO2eq direct mitigation; 1,929 MtCO2eq indirect mitigation	**100%** of target if only direct is included; **486%** of target if including indirect	**80%** of target if only direct included; **389%** of target if including indirect
		Demonstration of 3-4 innovative technologies in 10-15 countries	Demonstration of 13 innovative technologies in 17 different countries	**113%** of country target***	**100%** of country target***
		0.5 gigawatts of new renewable energy capacity installed	0.95 gigawatts of new renewable energy capacity installed	**190%** of target	**152%** of target
	Conserved and enhanced carbon sinks from reduced GHG emissions from LULUCF activities	315-675 million tons of CO2 equivalent emissions avoided from LULUCF	466 MtCO2eq emission reductions****	**100%** of target	**100%** of target
Int. Waters	Catalyze multi-state cooperation to balance conflicting water uses in transboundary surface and groundwater basins while considering climatic variability and change	Multi-state cooperation results in: adoption/implementation of national/local reforms in 50% of States and demonstration results in at least 50% of States participating in 6-7 transboundary water systems	5 transboundary water systems targeted through 6 projects involving 23 different countries	**83%** of measurable target (# of transboundary water systems targeted)	**67%** of measurable target
	Catalyze multi-state cooperation to rebuild marine fisheries and reduce pollution of coasts and Large Marine Ecosystems (LMEs) while considering climatic variability and change	Multi-state cooperation results in: adoption/implementation of national/local reforms in 50% of States and demonstration results in at least 50% of States participating in 5-6 LMEs	9 LMEs targeted through 12 projects involving 56 different countries	**150%** of measurable target (# of LMEs targeted)	**120%** of measurable target
Land Degradation	Arrested or reversed current global trends in land degradation, specifically desertification and deforestation	Sustainable management of agriculture, range and forest landscapes, including drylands and affected transboundary areas: 100 million Ha in agriculture; 200,000 Ha of forest landscapes; 175 million Ha in wider production landscapes	12.1 million Ha of agricultural / rangeland systems under SLM;	**12%** of target	**10%** of target
			1.4 million Ha of forest landscapes under SFM;	**692%** of target	**554%** of target
			70.7 million Ha of wider production landscapes under sustainable management	**40%** of target	**32%** of target

* Estimated percentage of replenishment target to be achieved by projects assumes that 80% of project-level targets will be achieved, after factoring in project cancellations and historical outcome ratings. See section 2. Note that project targets reflect a lifecycle that often extends beyond project closure (ex. GHG reductions to be achieved via technology investment in an energy-efficiency project).

** Improved management of hectares of protected areas achieved indirectly by systemic improvement of the entire protected area system through increased financial resources and/or strengthened capacity were not counted when calculating the target achievement.

***Aggregate project-level target is derived from projects with CCM-1 (tech transfer) funding. See section 3 for detail on the types of innovative technology demonstrated in these GEF-5 projects.

**** Total project-level reductions from LULUCF includes both direct and indirect reductions.

10. For all indicators, the majority of project-level targets come from projects at the PIF stage. Because project-level targets are likely to change somewhat as projects advance from the PIF approval stage to the CEO Endorsement/Approval stage, the assessment of project-level targets in this note should be treated as a rough indication of the degree to which GEF-5 projects are on track to meet GEF-5 replenishment targets.

11. Table 5 provides additional detail on the types of innovative technologies targeted for demonstration in GEF-5 Climate Change projects. Tables 6 and 7 provide detail on the different Transboundary water systems and Large Marine Ecosystems (LMEs) targeted by GEF-5 International Waters projects.

Table 5. Innovative technology and demonstrations targeted by GEF-5 projects receiving CCM-1 funding. Specified demonstration activities are implemented in 17 different countries.

Innovative technology supported	Number of projects	Number of demonstrations targeted*
Battery-electric vehicles	1	1
Climate-smart land rehabilitation technologies	1	1
EE aviation	1	1
EE lighting	4	4
EE refrigeration and air conditioning	2	2
EE technology for the shipping industry	2	2
Low-emission technology for the agricultural sector	4	7
Low-emission technology in the beer brewing industry	1	1
Not specified	17	17
Off-shore wind and CSP	1	2
SLCF mitigation technology	1	4
Solar chiller technology	1	1
Waste-to-energy technology	1	1
Zero-emission buildings	1	1
Total	38	45

* Where project-level data on the number of technology demonstrations was absent from tracking tools or project design documents, a default value of "1" was used. This includes all regional (n=4) and global (n=3) projects.

Table 6. Transboundary water systems and countries targeted by GEF-5 projects to catalyze multi-state cooperation to balance conflicting water uses in transboundary surface and groundwater basins.. To date, 5 Transboundary water systems are targeted through 6 projects involving 23 different countries.

Transboundary water system targeted by GEF-5 project(s)	Number of countries engaged	List of countries where project activities will be implemented.
Cubango-Okavango river basin	3	Angola; Botswana; Namibia
Lake Chad	5	Cameroon; Central African Republic; Chad; Niger; Nigeria
Puyango-Tumbes river basin	2	Ecuador; Peru
SADC	12	Angola; Botswana; Congo DR; Lesotho; Malawi; Namibia; Seychelles; South Africa; Swaziland; Tanzania; Zambia; Zimbabwe
Senegal river basin	4	Guinea; Mali; Mauritania; Senegal

Table 7. Large Marine Ecosystems (LMEs) and countries targeted by GEF-5 projects to catalyze multi-state cooperation to rebuild marine fisheries and reduce pollution of coasts and Large Marine Ecosystems (LMEs). To date, 9 LMEs are targeted though 12 projects involving 56 different countries.

LME targeted by GEF-5 project(s)	Number of countries engaged	List of countries where project activities will be implemented.
Adriatic sea	2	Bosnia-Herzegovina; Croatia
Agulhas LME and Somali LME	9	Comoros; Kenya; Madagascar; Mauritius; Mozambique; Seychelles; Somalia; South Africa; Tanzania
Caribbean LME and North Brazilian shelf LME	22	Antigua and Barbuda; Barbados; Belize; Brazil; Colombia; Costa Rica; Cuba; Dominica; Dominican Republic; Guatemala; Grenada; Guyana; Haiti; Honduras; Jamaica; Mexico; Panama; Saint Kitts and Nevis; Saint Lucia; Saint Vincent and the Grenadines; Suriname; Trinidad and Tobago
Pacific Island Warm Water Pool LME	14	Cook Islands; FS Micronesia; Fiji; Kiribati; Marshall Islands; Nauru; Niue; Palau; Papua New Guinea; Samoa; Solomon Islands; Tonga; Tuvalu; Vanuatu
South China Sea LME and Gulf of Thailand LME	7	Cambodia; China; Indonesia; Malaysia; Philippines; Thailand; Vietnam
Yellow Sea LME	8	Cambodia; China; Indonesia; Lao PD; Philippines; Timor Leste; Vietnam