

GLOBAL  
ENVIRONMENT  
FACILITY

SMALL GRANTS PROGRAMME  
(Note prepared by UNDP)

GEF Council Meeting  
Washington, D.C.  
July 18 - 20, 1995

GEF/C.5/14  
June 21, 1995

**RECOMMENDED DRAFT COUNCIL DECISION**

The Council reviewed and approved the proposal prepared by UNDP for Interim Funding of the Small Grants Programme set forth in Document GEF/C.5/14.

#### NOTE BY THE SECRETARIAT

1. Attached is a proposal prepared by UNDP for interim funding of the GEF Small Grants Programme. The purpose of the proposal is to extend funding for the Small Grants Programme for the period July through December 1995, pending consideration by the Council at its October meeting of a proposal for a three-year funding replenishment.
2. The Small Grants Programme was initiated in 1992 as a pilot program of the GEF. An independent evaluation of the program has recently been completed. The full text of the evaluation will be distributed to Council Members at their meeting in July 1995.
3. At present, UNDP is preparing a proposal for a three-year (1996 - 1998) replenishment of funding for the Small Grants Programme. The proposal under preparation is to take into account the findings and recommendations of the evaluation and consultations that UNDP is undertaking on the future directions for the program. It is expected that the proposal will be presented to the GEF Council as part of the proposed work program to be considered at its meeting in October 1995.
4. Pending further approval of the three-year replenishment, the Small Grants Programme requests \$1,943,245 to maintain country program and global support structures that have been put in place for purposes of the program.
5. The Council is invited to review the attached proposal with a view to approving the interim funding for the Small Grants Programme.

# GEF SMALL GRANTS PROGRAMME

## INTERIM FUNDING PROPOSAL (JULY-DECEMBER 1995)

### INTRODUCTION

1. The GEF Small Grants Programme (GEF/SGP) was launched by UNDP in late 1992 as a pilot programme of the Global Environment Facility (GEF). In the GEF/SGP pilot phase, grants of up to US\$50,000 were awarded for community-based activities supported by local organizations and NGOs in one or more of the GEF focal areas: biological diversity, climate change, international waters, ozone layer depletion and, to the extent that they relate to these areas of concern, desertification and land degradation. In each participating country, the programme is carried out by a National Coordinator, based either at a national NGO or the UNDP Country Office, and a National Selection Committee. Pilot phase funding for the programme has included an allocation of US\$13 million from the GEF Trust Fund, a grant of US\$3 million from USAID, and a US\$300,000 grant from the John D. and Catherine T. MacArthur Foundation.<sup>1</sup>

### JUSTIFICATION FOR INTERIM FUNDING

2. In the GEF/SGP pilot phase, efforts were focused on establishing effective small grant mechanisms and processes in the designated pilot countries, and on developing country project portfolios which would demonstrate the viability of the small grants approach and the potential contributions of community-based activities to the GEF's mission.

3. The independent evaluation of the GEF/SGP, just completed, concludes that the objectives of the pilot phase largely have been met.<sup>2</sup> The evaluation identifies a number of significant accomplishments in the pilot phase, while also identifying areas in which the GEF/SGP needs to be strengthened as a basis for expanding the programme and enhancing the prospects for impact. In its summary findings, the evaluation states... "Given all that could have gone wrong launching the GEF/SGP, the pilot phase is a genuine success, though important weaknesses were identified – the very purpose of a pilot." The evaluation goes on to conclude... "in general, an effective, prototype foundation is being laid for expanded support of community-based activities related to the GEF focal areas; given funding to scale-up projects, the contribution of the rural poor to biodiversity loss, global climate change, ozone depletion, and degradation of international waters will likely be reduced." Among the major accomplishments of the pilot phase highlighted in the evaluation report are the following:

- Working small grant-making mechanisms are set up in 33 countries;
- Nearly 450 community-based projects have been supported;

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<sup>1</sup> GEF Small Grants Programme Progress Report No. 5, included with this proposal, provides an overview of the programme and programme implementation.

<sup>2</sup> The report of the independent evaluation is being translated and prepared for publication, and will be distributed to Council members at the July Council meeting.

- Given the challenge of relating global environmental concerns to small, community-based natural resource management needs, an honest effort has been made to link grants to the GEF focal areas;
  - The National Selection Committee mechanism to review and select projects is generally recognized as innovative because of its participatory and transparent operating characteristics;
  - The GEF/SGPs are learning from their pilot experience and improving the quality of their operations.
4. The evaluation report recommends to... "Prepare the GEF/SGP for its transition from pilot phase to operational status." Over the remainder of 1995, programme activity will be focused on: (i) effectively managing the pilot phase project portfolio and continuing the process of learning from the pilot phase; and (ii) undertaking a work programme to prepare for the transition to the operational phase, taking into account the findings and recommendations of the evaluation and consultations on future directions for the programme. This will provide the basis for a three-year (1996-98) proposal for funding replenishment, to be submitted to the October GEF Council meeting, in order to fully operationalize the GEF/SGP.
5. This "interim" proposal requests funding for the period July through December 1995 for the purpose of sustaining basic programme operations in the pilot phase countries. This is essential in order to maintain the country-level and global support infrastructure established during the pilot phase, and to ensure effective management of the pilot phase project portfolio. Interim funding will support three priority areas of activity: (i) monitoring and assessment of pilot phase projects; (ii) technical assistance to pilot phase projects and ongoing capacity building activities; and (iii) in-country consultations on future programme directions.

## **PROPOSED ACTIVITIES**

### **Monitoring and Assessment of Pilot Phase Projects**

6. Over the remainder of 1995, the country programmes will focus primarily on ensuring effective monitoring of the pilot phase project portfolios, both for general programme management purposes and to provide a basis for learning lessons from the pilot phase with respect to community-based strategies, methodologies and technologies. Ongoing monitoring efforts will be reviewed and, where necessary, strengthened. Participatory approaches will be emphasized in which grant recipients and project participants are directly involved in the monitoring process.
7. Monitoring activities will include assessment of project effectiveness and lessons from project experience. All completed projects will undergo a participatory assessment involving project participants. At least five case studies will be completed of successful projects that have demonstrated potential for replication and scaling-up. In addition, later in the year all country programmes that have been operating for a sufficient period of time will undertake a pilot phase programme review. The purpose of the programme review will be to involve the various GEF/SGP stakeholders in an overall assessment of the pilot phase experience. All of this activity will provide the basis for a final report on the pilot phase which will aim to consolidate lessons from the pilot phase experience.

## Technical Assistance

8. In addition to monitoring and assessment activities, there is need to continue to ensure the provision of technical assistance to grant recipients. The GEF/SGP National Coordinator plays a key role in helping to ensure that grant recipients have access to technical assistance. In some cases, technical assistance is provided directly by the National Coordinator or, on a more limited basis, by a member of the National Selection Committee. Often, however, the National Coordinator or a National Selection Committee member helps to facilitate access to other sources of technical assistance.

## In-Country Consultations

9. In-country consultations will be carried out in order to engage the programme's many stakeholders in the process of charting future directions of the programme, both at the country level and globally. The National Selection Committee in each country has a particularly important role to play here. The in-country consultations will likely be linked to the planned pilot phase programme review exercises outlined above.

## BUDGET

10. A budget for maintaining country programme and global support structures for the period July through December 1995 is provided below:

### Country Programmes

Operations in 33 countries	1,650,000
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### Headquarters

#### Salaries

Coordinator	65,000
Secretary	23,000
Sr. Adviser	18,250
Secretary	7,000

Travel	50,000
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#### Publications

5 case studies	16,000
Lessons Learned Report	4,000

UNOPS Support Costs (6%)	109,995
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<b>TOTAL</b>	<b>1,943,245</b>
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