



GEF/C.64/14

June 6, 2023

64th GEF Council Meeting

June 26 - June 29, 2023

Brasília, Brazil

**MANAGEMENT RESPONSE TO: STRATEGIC COUNTRY CLUSTER
EVALUATION OF THE LOWER MEKONG RIVER BASIN ECOSYSTEM**

Recommended Council Decision

The Council, having considered document GEF/E/C.64/02, the *Strategic Country Cluster Evaluation of the Lower Mekong River Basin Ecosystem* and document GEF/C.64/14, the *Management Response*, takes note of the related evaluation recommendations and endorses the management response to address them.

Introduction

The GEF welcomes the IEO's Strategic Country Cluster Evaluation of the Lower Mekong River Basin Ecosystem (GEF/E/C.64/ 02- May 2023), which is the first strategic country cluster evaluation of the Lower Mekong basin. The GEF Secretariat values this informative study that reviewed 28 projects, through a combination of desk review, key informant interviews, focus groups and site visits. The study was undertaken "to understand the impact of the GEF's support and approach for addressing the challenges related to land degradation, hydrological connectivity, climate impacts and biodiversity losses across the Mekong River Basin's international waters (IW)."¹ Its analysis, findings, and conclusions provide a snapshot of the technical and programmatic dimensions of the GEF portfolio in the Lower Mekong River Basin (LMRB) and the recommendations indicate both potential areas for further focus, and reconfirm the current trajectory of GEF strategy, approach and programming in the region.

The Secretariat acknowledges the socio-economic and ecological importance, complexity, and dynamism of the LMRB, which is further compounded by the increasing impacts of climate change. As Southeast Asia's longest river, a global biodiversity hotspot, rich with natural resources and ecosystem services the Lower Mekong River basin provides critical environmental benefits from global to local scales. 65 million people depend on the river which provides food security, livelihoods, access to trade and cultural values to the region.² Rapid development has brought benefits the region with reduced fertility rates and increasing urbanization have contributed to higher incomes, reduced poverty, improved food security and greater access to improved water sources, sanitation, and electricity, though the growth has been uneven.³

As the IEO study highlights, this transformation has been coupled with acute challenges including reduced provision of ecosystem services; diminishing resilience of subsistence and livelihoods; inequitable societal sharing of ecosystem services, especially for marginalized groups; and weak inclusive governance processes.⁴ It is within this context that the GEF partnership seeks to secure global environmental benefits through an integrated healthy planet, healthy people approach.

The Secretariat appreciates the useful findings and conclusions arising from this evaluation and agrees that *the GEF is well-positioned to continue contributing to transformative changes in collaboration with partner countries and regional organizations and scale up solutions that address the major challenges within the LMRB*. The Secretariat is encouraged that the evaluation concluded that *GEF projects have addressed the loss of globally and regionally important biodiversity by integrating conservation with sustainable agriculture, aquaculture, forestry and improved environmental management* which confirms and is aligned with the increased emphasis on biodiversity mainstreaming in Convention guidance and GEF strategy.

¹ IBID

² <https://www.mrcmekong.org/about/mekong-basin/>

³ <https://www.mrcmekong.org/assets/Publications/BDS-2021-2030-and-MRC-SP-2021-2025.pdf>

⁴ <https://www.thegef.org/council-meeting-documents/gef-e-c-64-02>

The Secretariat is pleased by the conclusion that *GEF project objectives were closely aligned with national priorities, with a focus on reducing the vulnerability of rural communities, particularly indigenous peoples, women, and other marginalized groups*, and the GEF notes that this reflects the increasing emphasis on inclusion through a variety of means such as: GEF policy/safeguards (e.g. GEF Gender Equality policy, Stakeholder Engagement policy, Environmental and Social Safeguard Standards), GEF strategy (e.g. prominence of Indigenous People and Local Communities, Other Effective Conservation Measures in GEF-8 programming directions and Whole-of-Society Approach under the GEF's Climate Change Adaptation Strategy⁵) and dedicated funding windows (e.g. the Inclusive Conservation Initiative), and sustained outreach and engagement (e.g. CSO network and youth engagement).

The GEF is confident that the findings and recommendations provide further support for the GEF's current focus on policy coherence, multistakeholder and cross-ministerial engagement and institutional strengthening as core elements of achieving the transformational change the GEF seeks through GEF-8 period and beyond. In addition, this evaluation has reconfirmed the need for and benefits of the GEF's current focus and use of theory-of-change based design and monitoring to contribute to adaptive management, learning and sustainability. Finally, GEF programming directions have become increasingly integrated⁶ with focal area and integrated program strategies working at more holistic scales, including land/seascapes and value chains. The evaluation has highlighted the benefit of ecosystem-based management and need for technical advice as we continue to transition to working at larger and more complex scales.

Recommendations:

Recommendation 1: *The GEF should coordinate with partner LMRB countries, other multilaterals, bilaterals and regional bodies (e.g., MRC, ASEAN) on the strategic regional priorities of the MRC's Basin Development Strategy. This could be achieved through various GEF projects and programs which have a coordination component.*

The GEF Secretariat partially agrees with this recommendation.

The GEF appreciates the benefits of aligning GEF resources with relevant strategic regional priorities, including MRC River Basin Development Strategy⁷, to the extent that they relate to GEF strategy and country commitments under the multilateral environmental agreements (MEAs) for which the GEF serves as the financial mechanism. The GEF recognizes the role of governments in setting and owning regional priorities. The GEF further notes, therefore that the implementation of this recommendation will depend on the initiative and actions of GEF

⁵ GEF, 2022, [GEF Programming Strategy on Adaptation to Climate Change for the Least Developed Countries Fund and Special Climate Change Fund for the GEF-8 Period of July 1, 2022 to June 30, 2026 and Operational Improvements](#), GEF/LDCF.SCCF.32/04/Rev.01

⁶ GEF-5 Multi-Focal Area projects to GEF-6 Integrated Approach Pilots to GEF-7 Impact programs to GEF-8 11 Integrated Programs

⁷ <https://www.mrcmekong.org/assets/Publications/BDS-2021-2030-and-MRC-SP-2021-2025.pdf>

recipient countries who are outside of GEF Secretariat's direct control given the country-driven nature of the GEF.

Further, the Secretariat would like to highlight that while the mandate of the MRC per article 1 of the 1995 Agreement extends to cooperation across all fields of sustainable development across water and natural resources, and the scope of the MRC's Basin Development Strategy aims at the integration across sectors beyond water, the reality in the lower Mekong still lags behind realizing the ambitions of an integrated systems approach to basin management. The MRC is no exception here to other transboundary basins and riparian countries eligible to receive funds by the GEF globally. The MRC's Basin Development Strategy itself is adopted by the ministries responsible for water in each country and not by overarching national entities such as the ministry of planning or development. The Secretariat agrees with the IEO that such an integrated approach supported by MRC strategies is needed and well aligned with GEF-8 strategic directions that emphasize systems-level engagement and transformation.

The Secretariat would like to point to several actions that have been initiated in past and ongoing GEF projects/programs on coordination and outreach with the LMRB, other multilaterals, bilateral and regional bodies (e.g., MRC, ASEAN) on the strategic regional priorities of the MRC's Basin Development Strategy, including the first regional project of the GEF with the MRC (GEF ID 615) which aided the MRC and the countries to implement the Mekong agreement and develop procedures and protocols for cooperation on a number of issues across sectors and led to the development of the first Mekong Basin Utilization Plan as well as the ongoing Mekong Delta Aquifer project (GEF ID 10520) which is aligned with the Basin Strategy and works with the relevant MRC National Committees. Finally, we would like to highlight the current coordination of Inclusive Sustainable Rice Landscape in Thailand (GEF ID 10268) project under GEF-7 FOLUR program, which indicates engagement with key policy drivers including the MRC and the ASEAN Agreement on Cooperation for Sustainable Development of the Mekong River Basin.

International Waters projects will continue to cooperate with the MRC as the regional river basin organization in the lower Mekong. In GEF-8 the GEF will encourage agencies, including through GEF project concept reviews, that relevant GEF supported projects in the LMB countries aim for consultations with the National Mekong Committees. Finally, the GEF secretariat can consider inclusion of relevant regional bodies in outreach events organized by the GEF Secretariat, that could include Extended Constituency Workshops (ECW) held in the region. Although there is no specific timetable for this engagement given the macro-planning that will take place for these events, we expect that there will be an ECW held in Asia during GEF-8 (2022-2026).

Recommendation 2: *To support longer term sustainability, the GEF Secretariat and Agencies should design and implement mechanisms for testing, replicating, and scaling up successful local outcomes and mainstream them at the national level. This would include dissemination of good practices and working in close co-ordination with local, provincial and central governments to broaden and sustain the impacts of GEF investments.*

The GEF Secretariat agrees with this recommendation.

The Secretariat agrees that sustainability is a vital design component of each GEF intervention, particularly in the context of multi-country investments and has undertaken work to identify ways to promote durability and sustainability of GEF investments (Towards Greater Durability of GEF Investments, GEF/C.57/08⁸) welcomed by Council in 2019 and further refined and discussed in 2021 with Replenishment Participants (GEF-8 Policy Directions: The Enabling Environment for Transformation, GEF/R.08/14⁹).

These reports identified actionable design and implementation elements on durability and are centered around four main, interconnected themes: (1) theory of change, (2) multi-stakeholder processes, (3) stakeholder involvement and (4) adaptive learning. These elements are all now mainstreamed in GEF policy and guidelines and are explicitly addressed in the GEF-8 strategy, in GEF project design requirements and in the implementation of the GEF's Strategy for Knowledge Management and Learning (GEF/C.64/07).¹⁰ This will further increase the sustainability and durability of GEF investments, per the recommendations of this evaluation and the "continuation/likely continuation of positive effects from the intervention after it has come to an end", as per IEO's definition of sustainability (GEF/ME/C.56/02/Rev.01).

The Secretariat welcomes the recommendation to disseminate and scale-up good practices to broaden and sustain the impact of GEF investments. The Secretariat notes significant ongoing efforts to capture, produce and share lessons and good practices of GEF investments. This includes GEF IW:LEARN¹¹ the GEF International Waters Learning Exchange and Resource Network, which is active across all regions and working with a range of partner agencies supports the GEF International Waters portfolio in strengthening transboundary water management by collecting and sharing best practices and lessons learned, and enhancing awareness and capacities to apply innovative solutions to common problems across GEF International Waters projects and programs. Further, The Secretariat develops, in coordination with the Agencies and the OFPs, Good Practice Briefs¹² which summarizes key aspects of successful GEF projects and lessons learned to promote South-South cooperation and regional/global collaboration. In coordination with the OFPs, executing agencies, local CSOs and NGOs, and beneficiaries, the Secretariat disseminates Good Practice Briefs through webinars, South-South exchange activities or field visit learning event as part of the GEF regional workshops, such as Expanded Constituency Meeting or Adaptation Workshop.

Looking ahead, the GEF will continue to pay special attention in the review of GEF projects (including those in the Lower Mekong River Basin) to sustainability elements in project design

⁸ https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF_C.57_08_Towards%20Greater%20Durability%20of%20GEF%20Investments_0.pdf

⁹ https://www.thegef.org/sites/default/files/documents/2022-04/GEF_R.08_14_GEF-8_Policy_Directions.pdf

¹⁰ https://www.thegef.org/sites/default/files/documents/2023-05/EN_GEF_C.64_07_GEF%20Strategy%20for%20Knowledge%20Management%20and%20Learning.pdf

¹¹ <https://iwlearn.net/>

¹² <https://www.thegef.org/newsroom/publications?topic=&agency=&title=good+practice+brief>

and where relevant in the project Theory of Change, and M&E framework. During GEF-8 the GEF Secretariat foresees organizing a knowledge event aiming to foster exchange of knowledge and lessons on how to design and implement mechanisms for testing, replicating, and scaling up successful local outcomes and mainstream them at the national level. This event could draw from examples in the Lower Mekong River Basin and beyond and could take the form of a Brown Bag Lunch, a session at an Agency Retreat or similar.

Recommendation 3: *The STAP, in consultation with the GEF, should provide technical advice on internationally agreed upon definitions and guidelines for implementation of ecosystem based conceptual approaches and management tools (e.g., EbA, EbM, NbS, R2RB), to support consistent understanding and implementation on the ground. Future GEF projects should include robust theories of change and indicators that measure the effectiveness of these conceptual approaches and management tools.*

The GEF Secretariat agrees with this recommendation. The GEF Secretariat has consulted with STAP on the response to this recommendation.

STAP has provided technical advice and guidelines for the implementation of ecosystem-based conceptual approaches and management tools. For example, on natural capital approaches¹³ including a report commissioned from Stanford, on Nature-Based Solutions,¹⁴ and a Conceptual Framework for Governing and Managing Source-to-Sea Continuum.¹⁵ STAP, in consultation with the GEF Secretariat, will consider what further advice might be needed. STAP is doing further work on how to strengthen project design and adaptive management, in addition to its Theory Of Change Primer,¹⁶ and enabling elements for good project design.¹⁷ The Secretariat notes, that in GEF-8 projects are required to be based on theory of change, operationalized through PIF and PFD templates and review sheets and is supported by periodic Agency training.

Conclusion

The GEF Secretariat notes the recommendations of this evaluation and will continue to seek opportunities to work with the STAP, GEF Agencies and countries to support strategic regional priorities; increased sustainability, and implementation, via TOC-based project design, implementation and monitoring of ecosystem based conceptual approaches and management tools in the Lower Mekong River Basin. Progress on each of these recommendations will be tracked through the IEO's standard Management Action Record.

¹³ <https://stapgef.org/resources/policy-briefs/natural-capital-approaches-lessons-learned>

¹⁴ <https://stapgef.org/resources/advisory-documents/nature-based-solutions-and-gef>

¹⁵ <https://stapgef.org/resources/advisory-documents/conceptual-framework-governing-and-managing-key-flows-source-sea>

¹⁶ https://stapgef.org/sites/default/files/2022-06/https://stapgef.org/sites/default/files/2022-06/Theory%20o%20of%20%20Change%20%20Primer_web_updated%206.6.2022.pdf

¹⁷ <https://www.stapgef.org/resources/advisory-documents/enabling-elements-good-project-design-synthesis-stap-guidance-gef>