



GEF/C.66/16
January 11, 2024

66th GEF Council Meeting
February 5 - 9, 2024
Washington, D.C

Agenda Item 11

**MANAGEMENT RESPONSE TO:
LEARNING FROM CHALLENGES IN GEF PROJECTS**

Recommended Council Decision

The Council, having considered documents GEF/E/C.66/03, *Learning from Challenges in GEF Projects*, and GEF/C.66/15, *the Management Response*, takes note of the related evaluation recommendations and endorses the management response to address them.

TABLE OF CONTENTS

Introduction	1
Guiding Principles and Recommendation.....	1
Conclusion.....	3

INTRODUCTION

1. The GEF Secretariat welcomes the report on **Learning from Challenges in GEF Projects**, and agrees with its findings, lessons, conclusions, and recommendation. The report comes at an opportune time when the GEF Secretariat is in the process of rolling out a new Council approved strategy for Knowledge Management and Learning across the partnership. The report offers an important perspective on a portfolio approach to understanding and addressing challenges faced by projects during implementation. The GEF Secretariat agrees that *“gaining insights from challenges is a crucial component of the GEF partnership’s objectives for learning and knowledge sharing, particularly in the quest for innovation and transformational change.”* This is consistent with the growing need to embed knowledge management and learning across all GEF programming, which is key to mitigating risk of failure and adapting to challenges.

2. The GEF Secretariat appreciates the explicit focus on poorly performing projects that course corrected during implementation, which helped to analyze factors that contribute to the underperformance of interventions, and to examine the measures taken for risk mitigation and adaptation that contribute to improved performance. This focus offered valuable insights into important factors that must be considered by countries and agencies during project design phase, including assumptions related to the social, political and institutional context. The project examples cover a wide range of contexts that will help inform future GEF programming. Furthermore, the framework applied in the study is also grounded on well-established methods from the scientific literature, which makes the findings, lessons, and conclusions quite appropriate as guidance for the GEF partnership.

GUIDING PRINCIPLES AND RECOMMENDATION

3. This Evaluation presents eight guiding principles and one recommendation.

GUIDING PRINCIPLES: the GEF Secretariat welcomes the broad guidance elaborated in this Evaluation through eight guiding principles that can potentially inform the GEF Partnership in its evolution as a more effective learning organization. These principles offer interesting insights into how “learning from challenges” may be internalized in design, implementation, and monitoring. To highlight their potential importance and relevance in this regard, the GEF Secretariat offers a brief comment on each of the principles in the table below.

Principles	GEF Secretariat Comment
<p>Principle/Lesson 1: Active engagement with high priority but deeply complex environmental projects over time and through experimentation</p>	<p>As a country-driven financial entity that is also focused on investing in global environmental benefits, the GEF Secretariat strives to accommodate projects in accordance with the prevailing contexts in each country. The GEF Secretariat therefore considers it strategic to structure investments around both (a) the degree of difficulty of the development problem its projects are addressing, and (b) the likelihood that the design, implementation, and political support of individual projects is such that they can meet their stated objectives. The GEF Secretariat will continue to work along these dimensions throughout its programming.</p> <p>Furthermore, the GEF-8 Country Engagement Strategy, currently under implementation, embodies the country-driven nature of GEF programming and is at the core of guiding countries to do the “right” projects. It has been designed to enable countries to take ownership in design and implementation, through a coordinated, expanded, and comprehensive approach that will support and empower countries to develop portfolios that maximize the impact of GEF resources.</p>
<p>Principle/Lesson 2: Importance of establishing scope conditions</p>	<p>The GEF Secretariat notes that this is already a key requirement for all GEF projects, and appreciates the suggestion that articulating clear scope conditions will enable project objectives to be set in ways reflecting the specific type of challenges a given project is addressing, thereby reducing the risk of setting misguided targets and/or pursuing excessively ambitious operational scope.</p>
<p>Principle/Lesson 3: Benchmarking expectations and timeframes realistically: what outcomes should be reasonably expected and by when?</p>	<p>The GEF Secretariat would like to point to the fact that, with guidance from STAP, all GEF projects are now required to have well established theories of change with appropriate assumptions relative to pathways proposed for achieving outcomes and impacts. The suggestion that benchmarking expectations with respect to outcomes against a timeframe and contextual characteristic can help to identify and address challenges during implementation is well noted.</p>
<p>Principle/Lesson 4: For complex interventions, design, scaling and replication decisions must be informed by comprehensive contextual analysis</p>	<p>Scaling and replication of interventions can benefit greatly from synthesizing experiences across multiple projects. The GEF Secretariat would like to highlight that this approach is in fact a key priority for the new KM&L strategy, which includes an explicit action on area on synthesizing lessons from GEF investments.</p>
<p>Principle/Lesson 5: Monitoring should be regarded more as a learning tool and less as a compliance instrument</p>	<p>The GEF Secretariat has now embraced this as a priority for the results and monitoring report that is prepared and submitted annually to Council. This approach is helping to streamline the data and information submitted by agencies through project implementation reports.</p>

Principles	GEF Secretariat Comment
Principle/Lesson 6: Ambition and innovation are associated with a heightened likelihood of major breakthroughs – and serious disappointments	The GEF Secretariat recognizes the critical need to raise its ambition in confronting the growing global environmental challenges. In addition to innovative programming, such as through the integrated programs designed to tackle drivers of environmental degradation, a risk appetite statement has been prepared to reinforce the importance of taking risks in programming.
Principle/Lesson 7: It is imperative to ensure the robustness of the authorizing environment and the sustained support of key local leaders	Building local ownership is a core priority of all GEF investments as reflected in policies related to stakeholder engagement and gender mainstreaming. The GEF Secretariat agrees that ensuring a robust legal and institutional framework is a critical part of this approach.
Principle/Lesson 8: Developing credible measures of the extent to which everyday problems - especially those that have been clearly identified and prioritized - are being solved, and how this was actually achieved is critical	The GEF Secretariat agrees that <i>“learning how to address the everyday problems consistently well is the foundation on which more complex problems get more confidently and competently embraced.”</i> GEF agencies and executing partners play an important role in this regard, which is facilitated through project management units that are normally established for execution of all GEF projects.

4. Finally, the GEF Secretariat appreciates the call to consider the *“higher order challenge of how to design and deliver effective responses to the deep challenges posed by environmental degradation,”* and agrees that *“learning to do so – consistently, reliably, at scale – should be the particular form of ‘ambition’ it continues to embrace and realize.”* Addressing this challenge will take time and involves an iterative process that will now be possible with the new KM&L strategy.

RECOMMENDATION: *While the GEF Secretariat operationalizes the recently approved GEF Knowledge Management and Learning Strategy in consultation with members of the GEF partnership, it would be beneficial to reflect and apply the guiding principles relevant to the GEF, in the detailed action plans for knowledge and learning.*

5. The GEF agrees with this recommendation.

6. As articulated in the table above, the eight specific guiding principles to which this recommendation refers are well aligned with several existing policies and processes in the GEF, and will be further embodied as appropriate in specific action areas to be implemented under the KM&L strategy, in consultation with STAP and GEF agencies.

CONCLUSION

7. The GEF Secretariat will track progress on the implementation of the recommendation as part of its reporting to Council on implementation of the KM&L strategy, as well as through the IEO’s standard Management Action Record. Where appropriate, the GEF Secretariat will also mainstream the findings and recommendation of this evaluation into its preparations for the GEF-9 replenishment negotiations.