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LDCF/SCCF Council Meeting
June 20, 2013
Washington, D.C.

Agenda Item 10

PROGRESS REPORT AND FY 2014 WORK PROGRAM AND BUDGET FOR THE EVALUATION OFFICE UNDER LDCF AND SCCF

Recommended Council Decision

The Council, having reviewed document GEF/LDCF.SCCF.14/ME/01, *Progress Report and FY 2014 Program and Budget for the Evaluation Office under LDCF and SCCF,* approved a budget for the Evaluation Office of $70,000 for FY14 to cover the cost of implementing the proposed work program:

(a) $40,000 from LDCF and

(b) $30,000 from SCCF

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BACKGROUND

1.   This document presents the Evaluation Office's progress on ongoing work as well as the FY14 work program and budget. During FY13, the Evaluation Office began to implement the work program approved by the LDCF/SCCF Council at the 12th Council Meeting on June 7, 2012. Several activities have been completed or are under way. In particular the inclusion of the strategy on adaptation to climate change of the LDCF/SCCF in the Evaluation of GEF Focal Area Strategies, the inclusion of adaptation to climate change issues in the first report of the Fifth Overall Performance Study (OPS5) of the GEF, and the Management Action Record (MAR) for the SCCF evaluation.

2.   Other tasks are ongoing while some tasks have been delayed. The development of a guidance document for the LDCF/SCCF M&E Policy is ongoing and nearly finished. One task that continues to be delayed is the development of guidelines for terminal evaluations for LDCF/SCCF projects. The GEF has nearly completed the revision of guidelines for terminal evaluations for GEF Trust Fund, and the Evaluation Office decided to hold back on guidelines for terminal evaluation for the LDCF/SCCF until revised guidelines for the GEF Trust Fund have been finalized. As the first generation of SCCF projects are coming to an end, terminal evaluation guidelines are necessary to continue gathering lessons learned, and for the Office to produce an annual report on the implementation of projects. This exercise will continue into FY14.

3.   In June 2012, the LDCF/SCCF Council approved a budget for the Evaluation Office of $63,000 for FY13. This budget was not fully used given the delay of some activities. As a result approximately 27% of the LDCF and 13% of the SCCF approved budgets will not be used before the end of the FY13. To complete the tasks as well as new tasks described below, the Office requests funding in this document of the amount of $70,000.

4.   The following paragraphs present a progress report on the activities completed and commenced by the Evaluation Office in FY13 and a work program for activities to be conducted in FY14.

PROGRESS REPORT AND FURTHER PROPOSED ACTIVITIES

M&E Policy and Guidelines

5.   As the Council approved the M&E Policy for LDCF/SCCF in November 2011 the Evaluation Office is developing a guidance document elaborating on the operationalization of the policy in collaboration with the GEF Secretariat. The drafting of the guidance document is delayed but ongoing.

6.   In line with the GEF M&E Policy, the LDCF/SCCF M&E Policy requires that all full- and medium-size projects complete a terminal evaluation upon the completion of their implementation. Terminal evaluations are the responsibility of GEF Agencies and recipients of GEF grants. The Evaluation Office is revising the guidelines for terminal evaluations for GEF Trust Fund projects in consultation with the GEF Secretariat and all GEF Agencies. It was envisaged that the revised guidelines for GEF Trust Fund project would have been completed in FY13. Once this is done, the Office will prepare guidelines for conducting terminal evaluations of LDCF/SCCF projects including guidelines on the independence of evaluators, issues relevant to the funds, and a rating system for selected criteria (i.e., outcomes, risks to sustainability, M&E systems).

7.   The $12,000 ($6,000 from each fund) approved in the FY13 budget to cover the cost of consultants to assist the office in preparing guidelines and guidance documents for the M&E Policies has been partially spent ($6,000) and the remainder is required for FY14.

Process and Thematic Evaluations

8.   **Evaluation of the SCCF:** In FY13 the Office completed the editing and publication of the Evaluation of the SCCF. The publication was disseminated to relevant stakeholders and is available on the Evaluation Office's web site.

9.   **Practices on M&E and evaluation reporting:** The Evaluation Office had proposed to report on the performance of the LDCF and SCCF as well as on ongoing evaluation issues at the end of FY13 in an Annual Evaluation Report. The report would including an assessment of terminal evaluations of projects and a Management Action Record (MAR) reporting on the follow-up on the implementation of LDCF/SCCF Council decisions on recommendations of the SCCF Evaluation. Since no terminal evaluations were submitted by Agencies, the Office is including the MAR in this progress report (see annex). In the MAR the Evaluation Office completes the columns pertaining to recommendations, management response, and Council decisions. Management is invited to provide a self-rating of the level of adoption of Council decisions on recommendations and to add comments as necessary. After management's self-

rating, the Office verifies actual adoption and provides its own ratings and comments. The MAR for the SCCF Evaluation shows the progress made by the Secretariat in ensuring a) transparency of the project pre-selection process; b) dissemination of good practices through existing channels; and, c) visibility of the fund by requiring projects to identify their funding source. In FY14 the Office expects the submission of terminal evaluations for LDCF/SCCF projects and plans on preparing an Annual Evaluation Report on ongoing evaluation issues. An amount of $4,000 will be required to cover the cost of a consultant for these activities.

Adaptation in OPS5

10.   OPS5 aims to synthesis conclusions and evaluative evidence on adaptation to climate change. The first report of OPS5: Cumulative Evidence on the Challenging Pathways to Impact which was submitted to the first replenishment meeting in April 2013 presents the evaluative evidence that has been gathered through the Evaluation Office's various evaluations since OPS4. One of the more recent evaluations leading into the first report of OPS5 was the Evaluation of the GEF Focal Area Strategies. It was designed as a formative evaluation emphasizing learning as the primary goal. The evaluation's main objective was to collect and assess information related to the GEF-5 Focal Area Strategies and the Adaptation Strategy of the LDC/SCCF to gain a systematic understanding of the elements and causal links each strategy envisions. The evaluation aims to make a central contribution to OPS5 that will in turn provide recommendations for the formulation of the GEF-6 focal area strategies and the subsequent adaptation strategy being formulated at the same time as the GEF replenishment process. Technical paper 7 is dedicated to the climate change adaptation strategy. This paper and the first report of OPS5 are available on the GEF Evaluation Office website.

11.   The first report of OPS5 highlighted multi-trust fund projects. The possibility of combining climate change adaptation activities under LDCF/SCCF with activities funded through focal areas under the GEF Trust Fund has been introduced in GEF-5 as multi–trust fund projects. Given the crosscutting nature of adaptation activities that can complement activities under GEF focal areas, the number of corresponding projects is growing. The first report notes that GEF-5 includes 13 approved projects that combine funding from different trust funds. The SCCF, which allocated 30.1 percent of its resources to multi–trust fund projects within the current GEF-5 portfolio, has funded 9 of these 13 projects. Further work on multi-trust fund issues, in particular SCCF projects, will be included in the final OPS5 report planned for the third replenishment meeting in November or December 2013.

12.   The FY13 work program proposed an update of the work on NAPAs which was completed in 2009 (Joint Evaluation of the LDCF). At that time, the Trust Fund was still in its first phase and grants to beneficiaries only covered the development of NAPAs. Since then the LDCF Trust Fund has proceeded into its second phase, which includes funding of concrete adaptation activities. The update aims to assess whether NAPA priority projects are being

implemented through the demonstration projects funded through the LDCF to make an assessment of the catalytic role of the NAPAs on further project development in the countries. Work is ongoing starting with the verification of a LDCF project database and will continue with in-depth country case studies. Follow-up to NAPAs is complementing the ongoing Evaluation of GEF Enabling Activities. The work on NAPAs will continue in FY14.

13.   Including the activities of LDCF/SCCF in OPS5 will lead to a better understanding of adaptation to climate change. An amount of $25,000 was approved to cover the cost of consultants to assist the Office to include the LDCF/SCCF in the focal area strategies evaluation and in OPS5, and in conducting the NAPA study. An additional amount of $40,000 is required to complete the NAPA study, explore multi-trust fund projects, and to incorporate all findings on adaptation to climate change in final report of OPS5.

Proposed Budget

14.   The Evaluation Office requests the LDCF/SCCF Council to approve $70,000 FY14 to cover the cost of the activities presented above. This funding includes $20,000 to cover the cost of a Senior Evaluation Officer from the Office (4 weeks to manage and contribute to the activities). The following tables present the breakdown of the cost and the source of funding.

15.   It is also proposed that multi-annual budgets be introduced for the Evaluation Office's work program for LDCF/SCCF. This would be in line with the practice for the GEF Trust Fund and accommodates multi-year evaluations such as OPS5. As the funds mature the number of evaluations that are multi-year by nature will grow, while the budget is approved on an annual basis. Starting June 2014 the Evaluation Office would propose a four-year rolling work program and budget which would take the experience of the GEF Trust Fund practice of multi-annual budgets into account.

Table 1: Summary of GEF Evaluation Office Budget for FY13 and FY14

Sources of funding	FY13 Approved budget	Estimated by end of FY13	FY14 budget request
LDCF	$33,000	$24,000	$40,000
SCCF	$30,000	$26,000	$30,000
Total	$63,000	$50,000	$70,000

Table 2: Budget Requested from LDCF – Breakdown

Evaluation Activity	Cost	FY13 Approved budget	Estimated by end of FY13	FY14 budget request
1) M&E Policy & Guidelines:				
	Consultants	$6,000	$3,000	$3,000
2) Process and Thematic Evaluations:				
(i) Practices of M&E evaluation reporting	Consultants	$2,000	0	$2,000
3) Adaptation in OPS5	Consultants	$15,000	$11,000	$25,000
EO Staff Cost	2 weeks of staff	$10,000	$10,000	$10,000
Total		$33,000	$24,000	$40,000

Table 3: Budget Requested from SCCF – Breakdown

Evaluation Activity	Cost	FY13 Approved budget	Estimated by end of FY13	FY14 budget request
1) M&E Policy & Guidelines:	Consultants	$6,000	$3,000	$3,000
2) Process and Thematic Evaluations:				
(i) Practices of M&E evaluation reporting	Consultants	$2,000	$1,000	$2,000
(ii) Evaluation of SCCF	Consultants	$2,000	$2,000	0
3) Adaptation in OPS5	Consultants	$10,000	$10,000	$15,000
EO Staff Cost	2 weeks of staff	$10,000	$10,000	$10,000
Total		$30,000	$26,000	$30,000

ANNEX 1: MANAGEMENT ACTION REPORT 2012

Recommendation based on LDCF/SCCF Council review of Evaluation of the Special Climate Change Fund (GEF/LDCF.SCCF.11/ME/02)

Ref. #	Date of LDCF/ SCCF Council Decision	GEF EO Recommendation	Management Response	Council Decision	Management Rating & Comments in MAR 2012	GEF EO Rating & Comments in MAR 2012
22	Nov. 2011	Recommendation 2: The LDCF/SCCF Council should ask the Secretariat to prepare proposals to ensure: a) transparency of the project pre-selection process; b) dissemination of good practices through existing channels; c) visibility of the fund by requiring projects to identify their funding source.	The Secretariat is pleased to fully endorse the recommendations put forth in the Evaluation. The Secretariat intends to take action in order to implement the second recommendation.	Decision on Agenda Item 6, Evaluation of the Special Climate Change Fund: The LDCF/SCCF Council, having reviewed the document GEF/LDCF.SCCF.11/ ME/02, Evaluation of the Special Climate Change Fund, and document GEF/LDCF.SCCF.11/ ME/03, Management response to the Evaluation of the SCCF, notes the conclusion of the impact of funding levels and the need for continued support. The LDCF/SCCF Council requests the	**Substantial** a) **High**. In response to Recommendation 2-(a), the Secretariat developed a pre-selection criteria information document to be circulated during the 12th LDCF/SCCF Council meeting. The pre-selection process and criteria were included in the *Updated Operational Guidelines for the SCCF*, approved by the LDCF/SCCF Council in November 2012. The contents of this document were also posted on the GEF website, for transparency purposes,	**Substantial** a) **High**. The EO is in agreement with the rating provided by management. The EO encourages the Secretariat to periodically assess the application of the pre-selection process and criteria. b) **Substantive**. Efforts made by the Secretariat to disseminate lessons are welcome. Continued efforts should include the preparation of a plan to systematically disseminate good practices through existing channels at the fund level.

				Secretariat to prepare proposals to ensure: a) transparency of the project pre-selection process; b) dissemination of good practices through existing channels; c) visibility of the fund by requiring projects to identify their funding source.	during the corresponding Work Program. (please see http://www.thegef.org/gef/https%3A/%252Fwww.thegef.org/gef/sccf/criteria) Furthermore, the Adaptation Task Force has received a written report on the pre-selection process for June 2013 SCCF Work Program. b) **Substantive.** The dissemination of good practices continues through the Annual Monitoring Report, GEFs newsletter (Greenline), and starting with the Climate COP in 2012, through the Adaptation Practitioners Days, a two day event that gathers LDCF/SCCF practitioners. The Adaptation Learning Mechanism continues to serve as a key platform for disseminating lessons	c) **Negligible**. While reference to the communication and visibility policy and requests through the Adaptation Task Force may be helpful, the Council decision calls for the Secretariat to prepare a proposal to ensure visibility of the fund, which is in addition to the GEF communication and visibility policy. SCCF visibility requires clear identification of the funding source in outreach documents, project leaflets, press releases, and websites. The Secretariat may consider adopting a logo.

| | | | | and good practice on adaptation.

c) **Medium.** The GEF has a communication and visibility policy, which, by default, applies. Secretariat has requested, through the Adaptation Task Force, that projects identify their funding source. | |

Rating Approach

The rating categories for the progress of adoption of Council decisions were agreed upon in the consultative process of the Evaluation Office with the GEF Secretariat and the GEF Agencies and are as follows:

- **High:** Fully adopted and fully incorporated into policy, strategy or operations.
- **Substantial:** Decision largely adopted but not fully incorporated into policy, strategy or operations as yet.
- **Medium:** Adopted in some operational and policy work, but not to a significant degree in key areas.
- **Negligible:** No evidence or plan for adoption, or plan and actions for adoption are in a very preliminary stage.
- **N/A:** Non-applicable
- **Not possible to verify yet:** verification will have to wait until more data is available or proposals have been further developed.