

16th LDCF/SCCF Council Meeting
May 27, 2014
Cancún, Mexico

Agenda Item 7

**FY 2015 WORK PROGRAM AND BUDGET FOR THE INDEPENDENT
EVALUATION OFFICE UNDER THE LDCF AND SCCF**

(Prepared by the GEF Independent Evaluation Office)

Recommended Council Decision

The Council, having reviewed document GEF/LDCF.SCCF.16/ME/01, *FY2015 Work Program and Budget for the Independent Evaluation Office under LDCF/SCCF*, approved a budget for the Evaluation Office of \$64,000 for FY15 to cover the cost of implementing the proposed work program:

(a) \$37,000 from LDCF and

(b) \$27,000 from SCCF.

TABLE OF CONTENTS

| | |
|---|----------|
| Background | 1 |
| Progress Report and Further Proposed Activities..... | 1 |
| M&E Policy and Guidelines | 1 |
| Process and Thematic Evaluations..... | 2 |
| Adaptation in the Fifth Overall Performance Study (OPS5)..... | 2 |
| Proposed Budget | 2 |

BACKGROUND

1. During FY 2014, the Independent Evaluation Office began to implement the work program approved by the LDCF/SCCF Council at the 14th Council meeting on June 20, 2013. Several activities have been completed, including the inclusion of adaptation to climate change issues in the Fifth Overall Performance Study (OPS5), the assessment of National Adaptation Programs of Action (NAPA) implementation projects, and the preparation of the first LDCF/SCCF Annual Evaluation Report.
2. One task is ongoing while another task has been delayed. The development of a guidance document for the LDCF/SCCF M&E Policy is being finalized. One task that continues to be delayed is the development of guidelines for terminal evaluations for LDCF/SCCF projects. Guidelines for terminal evaluations of GEF Trust Fund projects have been under revision. Some GEF Partner Agencies had reservations concerning certain proposed changes, and therefore additional time for consultations was needed. The Independent Evaluation Office decided to hold back on guidelines for terminal evaluations for the LDCF/SCCF until revised guidelines for the GEF Trust Fund have been finalized. Once revised guidelines for the GEF Trust Fund have been agreed on the Office will prepare guidelines for terminal evaluation for the LDCF/SCCF.
3. In June 2013, the LDCF/SCCF Council approved a budget for the Independent Evaluation Office of \$70,000 for FY 2014. It is estimated that the budget will be fully used by the end of FY14. The following paragraphs present a progress report on the activities completed and commenced by the Independent Evaluation Office in FY14 and a work program for activities to be conducted in FY15.

PROGRESS REPORT AND FURTHER PROPOSED ACTIVITIES

M&E Policy and Guidelines

4. As the Council approved the M&E Policy for LDCF/SCCF in November 2011 the Independent 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.
5. 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 Partner Agencies and recipients of GEF grants. The Independent Evaluation Office is revising the guidelines for terminal evaluations for GEF Trust Fund projects in consultation with the GEF Secretariat and all GEF Partner Agencies. It was envisaged that the revised guidelines for GEF Trust Fund project would have been completed in FY14. Some GEF Partner Agencies had reservations concerning certain proposed changes, and therefore additional time for consultations was needed. Once this is done, the Office will prepare guidance 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).

6. It is estimated that the \$8,000 (\$4,000 from each fund) approved in the FY14 budget to cover the cost of consultants to assist the Office in preparing guidelines and guidance documents for the M&E Policies will be spent by the end of FY14 on the guidance document for the M&E Policy for LDCF/SCCF. An additional \$7,000 (\$3,500 from each fund) is needed to complete the guidance on terminal evaluations.

Process and Thematic Evaluations

7. **Practices on M&E and evaluation reporting:** The Independent Evaluation Office has prepared the first LDCF/SCCF Annual Evaluation Report to report on the performance of the LDCF and SCCF as well as on ongoing evaluation issues at the end of FY14. Please see GEF/LDCF.SCCF.16/ME/02.

8. In FY15 as the portfolios mature the Office expects submissions of additional terminal evaluations for LDCF/SCCF projects (10-15 terminal evaluations) that will be assessed in the second Annual Evaluation Report. Potential evaluation issues to report on in FY15 are gender and private sector in LDCF/SCCF projects. An amount of \$56,000 will be required to cover the cost of IEO staff and consultants for these activities.

Adaptation in the Fifth Overall Performance Study (OPS5)

9. The Fifth Overall Performance Study (OPS5) synthesizes conclusions and evaluative evidence on adaptation to climate change. Adaptation to climate change is included in OPS5 through various channels. It has been considered a focal area and included in the Independent Evaluation Office's evaluation streams such as country level evaluations and performance evaluations. Adaptation is included through work on focal area strategies, Results Based Management and tracking tools, Multi-Focal Area and Multi-Trust Fund projects, and gender mainstreaming. OPS5 Technical Document #19 provides preliminary findings of a quality-at-entry review of a sample of projects approved to implement NAPAs to assess the extent to which they respond to key issues identified by NAPAs and project design quality. It also reports on the progress of the SCCF and the mainstreaming of resilience and adaptation to climate change in the main trust fund, which focuses on increasing the resilience of GEF support. The First and Final Reports of OPS5 as well as Technical Document #19 are available on the GEF IEO web page: <http://www.thegef.org/gef/OPS5>.

10. An amount of \$56,000 was approved to cover the cost of IEO staff and consultants to assist the Office to include adaptation to climate change in the Final OPS5 Report. An additional amount of \$12,000 is required under the Process and Thematic Evaluations budget line to complete the in-depth NAPA case studies.

Proposed Budget

11. The Independent Evaluation Office requests the LDCF/SCCF Council to approve \$64,000 for FY15 to cover the cost of the activities presented above. This funding includes the cost of a Senior Evaluation Officer from the Office (4 weeks to manage and contribute to the activities) and the cost of other IEO staff to carry out some of activities. Table 1 presents the breakdown of the cost and the source of funding.

12. In the FY 2014 Work Program and Budget document it was also proposed that multi-annual budgets be introduced for the Independent 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. Therefore, it is proposed that starting June 2015 in line with the IEO Work Program and Budget for GEF-6, the IEO would propose a four-year rolling work program and budget for LDCF/SCCF. It will take the experience of the GEF Trust Fund practice of multi-annual budgets into account.

Table 1: Summary of GEF Evaluation Office Budget for FY14 and FY15

| Evaluation Activity | FY14 Approved budget | Estimated by end of FY14 | FY15 budget request |
|------------------------------------|-------------------------------------|-------------------------------------|--------------------------------|
| LDCF | | | |
| - M&E Policy and Guidelines | \$4,000 | \$4,000 | \$3,500 |
| - Process and Thematic Evaluations | \$2,500 | \$2,500 | \$33,500 |
| - Adaptation in OPS5 | \$33,500 | \$33,500 | 0 |
| Subtotal LDCF | \$40,000 | \$40,000 | \$37,000 |
| SCCF | | | |
| - M&E Policy and Guidelines | \$4,500 | \$4,500 | \$4,500 |
| - Process and Thematic Evaluations | \$3,000 | \$3,000 | \$10,000 |
| - Adaptation in OPS5 | \$22,500 | \$22,500 | 0 |
| Subtotal SCCF | \$30,000 | \$30,000 | \$27,000 |
| Total | \$70,000 | \$70,000 | \$64,000 |