

Evaluation of the Role of Medium Size Projects (MSP) in the GEF Partnership Approach Paper

March 2020

Introduction

1. The Global Environment Facility (GEF) is an international financial institution that provides grants to developing countries and countries with economies in transition for projects that address global environmental concerns related to biodiversity, climate change, international waters, land degradation, and chemicals and waste. The GEF has provided over \$20 billion in grants and mobilized an additional \$88 billion in financing for more than 4000 projects in 170 countries. Today, the GEF is an international partnership of 183 countries, international institutions, civil society organizations and the private sector. The governance structure of the GEF includes an Assembly, a Council, a Secretariat, a Scientific and Technical Advisory Panel (STAP) and an Independent Evaluation Office (IEO).
2. The GEF provides support to countries in 3 main modalities: (i) Enabling Activities, (ii) Medium Size Projects, and (iii) Full Size Projects, the GEF additionally provides financing through programs such as the GEF Small Grants Programme (SGP), Programmatic Approaches, Integrated Approach Pilots, and Integrated Programs. This evaluation will assess the GEF Medium Size Project modality. It will provide evidence on the past GEF experience in designing and implementing MSPs as well as the efficiency, effectiveness, and results of MSP projects. It will contribute to the further understanding of the role of MSPs in the context of GEF's strategic move to increase its investments in integrated programming as a strategy to tackle the main drivers of environmental degradation and achieve impact at scale¹.

Background and History of Medium Size Projects

3. MSPs were initially introduced at the GEF to promote rapid and efficient project execution by simplifying preparation and approval procedures and by shortening the project cycle relative to GEF full-sized projects (FSPs). MSPs are required to be consistent with the GEF eligibility criteria of the GEF Instrument, however the goal of "streamlining and simplifying all stages of the project preparation and implementation" was highlighted by the Council² in the view that MSPs "often don't require the same level of preparation and oversight as large-sized projects."
4. MSPs were able to address the gap between the two funding mechanisms at the time—full-size projects and Small Grants Programme—MSPs were to provide an expedited mechanism allowing a broader and more balanced representation of executing agencies and stakeholders to access GEF funds, including government agencies, international NGOs, national NGOs, academic and research institutions, and private sector companies, among others.³

¹ GEF/R.7/19 – GEF-7 Replenishment Programming Directions

² GEF/C.8/5 – Proposal for Medium-Sized Projects

³ GEF/C.18/Inf.4 – Medium-Sized Projects Evaluation

5. The MSP modality was first proposed in an information document *Promoting Strategic Partnerships between the Global Environment Facility and the NGO Community*⁴ presented to the GEF 7th Council meeting in February 1996 and prepared by a working group composed of members of the GEF NGO Network, Implementing Agencies, and the GEF Secretariat. NGOs had an important leadership role in the creation of the MSP modality.
6. In April 1996, the Global Environment Facility (GEF) Council requested the Secretariat to prepare, in consultation with the then-Implementing Agencies, a proposal on ways to streamline the processing and financing of medium-sized project proposals. Procedures for preparing, approving and managing medium-sized projects (MSP) were formally proposed and approved by the GEF Council at its 8th session in October 1996⁵ with an increased limit of US\$1 million. MSP approval process was to be consistent with GEF operational policies and principles and the review process was streamlined to expedite project approval.
7. The MSP grant ceiling was raised to US\$2 million in 2012 at the GEF's 43rd Council in November 2012 as a streamlining and cost savings measure to improve the efficiency of the GEF project cycle. The GEF introduced a new cancellation policy in 2014 setting project cycle standards for all projects. This came as an update to the May 2007 policy which set the criteria for cancellation, termination, or suspension of projects (GEF/C.31/7). The GEF further amended its project cycle in 2016 consolidating any conflicting decisions and streamlining the project cycle for all project and program modalities.

Previous Evaluations on MSPs

8. A review of MSPs was undertaken in 1998 as a joint effort between the GEF Secretariat (GEFSEC), Implementing Agencies (IAs) and the GEF-NGO Network⁶. Three key and inter-related issues were identified:
 - **Volume related issues:** The volume of proposals submitted exceeded the budgetary resources of the IAs.
 - **Information related issues:** Project proponents and NGOs faced difficulties understanding GEF requirements. There was a lack of awareness of GEF requirements particularly among NGOs and project proponents at the country level. Furthermore, many did not find the *Medium-sized Projects Information Kit* to be user friendly.
 - **Process related issues:** The time lapse in project preparation was substantial since it could take several months for IAs to work upfront with the project proponents in an interactive manner to develop an idea into a feasible concept. There was sometimes a lack of timely responses by IAs on MSP concepts and project eligibility, delays in endorsement by the GEF in-county Focal Points, and the transaction costs of MSPs were found to be high.
9. At the same Council session, the GEF Secretariat also presented the document *Streamlining the Project Cycle*⁷, indicating that it would address conceptual or procedural constraints in the project

⁴ GEF/C.7/Inf.8

⁵ GEF/C.8/5, a Proposal for Medium-sized Projects

⁶ GEF/C.12/Inf.7 Review of Experience with Medium-Sized Project Procedures

⁷ GEF/C.12/9

cycle to further shorten the MSP project cycle. The GEF Secretariat and implementing agencies continued to work on streamlining of the project cycle and further reduced the disbursement time with the introduction of *Mechanisms and Arrangements for Expediting Disbursement of Funds for Small Projects*⁸. This allowed for funds for MSPs to be “disbursed based on projected expenditures rather than an ex-post reimbursement for expenses”.

10. An evaluation of the GEF experience with MSPs was undertaken in 2001⁹ presenting both challenges and opportunities. The final report concluded that MSPs had broadened and legitimized partnerships and multilateral relationships that have improved collaboration between CSOs, governments, research institutions, the private sector and GEF. However, the expedited procedures envisaged for the MSPs had fallen short of expectations; “reality has fallen far short of the expectations that MSPs would be a relatively fast-moving and flexible funding opportunity”.
11. The 2001 MSP evaluation also pointed out that the “prevailing 2-3 year time frame for MSPs is often too short, and few of the projects can be expected to achieve sustainability in this time.” Moreover, the evaluation stated that there has been considerable pressure within GEF to make MSPs comprehensive and overambitious rather than small and simple, and some of the projects were “encouraged to bite off more than they could reasonably be expected to chew.”
12. Among its findings, the evaluation report states that “the most important comparative advantages of MSPs appear to lie in partnership building, awareness raising, public participation, capacity building and innovation, as well as the opportunity to engage a diverse range of highly motivated executing agencies”.
13. The 2001 MSP Evaluation also highlighted one of the key strengths of these projects: “...it is very likely that the overall value/ impact of GEF dollars invested in MSPs compares favorably with investments in many larger projects of either GEF or other donors, especially in the biodiversity focal area”. Additional benefits of MSPs as noted by the evaluation are summarized in Box 1.
14. As a follow-up to the MSP evaluation, the GEF Secretariat organized an MSP Working Group consisting of representatives from the original three GEF Implementing Agencies, two NGOs, an executing agency and the Secretariat to review the recommendations from the Evaluation Report. The working group agreed to address the recommendations under six categories: capacity building for executing agencies; technical standards for MSPs; implementing agency policies and procedures; role of the focal points; project cycle and information dissemination.
15. The Secretariat presented an action plan to the 23rd Council session to follow up on the recommendations of the evaluation, and at the 24th Council session in November 2004 presented the Council with its *Proposal for Enhancing GEF Medium-Sized Projects* (GEF/C.24/13). The proposal increased the ceiling of PDF-A funding for MSPs up to \$50,000 and allowed for endorsement of MSP project proposals by the operational focal points on a no objection basis within a four-week period.
16. A Joint Evaluation of the GEF Activity Cycle and Modalities¹⁰ was presented to the GEF’s 30th Council in May 2006. This evaluation mapped the number of emerging GEF modalities based on their

⁸ GEF/C.17/12

⁹ GEF/C.18/Inf.4 Medium-Sized Projects Evaluation. Input to the Second Overall Performance Study of the GEF

¹⁰ GEF/ME/C.30/6 Joint Evaluation of the GEF Activity Cycle and Modalities

definitions, key outputs, characteristics and issues they aimed to address. The evaluation presented an in-depth analysis of MSPs and FSPs including the time lags at various stages of the cycle that pertain to project preparation and appraisal and reasons for these time lags. The evaluation concluded that the lag time for proposals awaiting approval had become unacceptably long. To simplify the process, the evaluation recommended that the identification phase of the project cycle *“should simply establish project eligibility, whether resources are in principle available, and whether the concept is endorsed by recipient countries.”*

Box 1: Benefits of GEF Medium Size Projects (Evaluation Findings, 2001)

MSPs have notably generated the following benefits:

Collaboration

- Broadened and legitimized partnerships and multisectoral relationships that have improved collaboration between NGOs, government, research institutions, the private sector and the IAs.
- Strengthened international networking with respect to complex technical issues, especially through the global and regional MSPs implemented by UNEP.
- Improved local awareness of global environmental concerns, increased local ownership of environmental interventions and strengthened local governance.
- Increased capacity at local and national levels, including the capacity to access and participate in larger initiatives.

Environmental and Socio-Economic Status

- Achieved positive policy impacts by facilitating policy dialogues, applying research results or piloting new policy concepts and relating these to research priorities.
- Provided what in some countries is the only support for implementing environmental strategies and action plans, including those for biodiversity conservation and climate change.
- Demonstrated innovations that are providing more appropriate and effective approaches to environmental management.
- Improved livelihood and income opportunities for key stakeholders.

Reach

- Leveraged substantial cofinancing from a variety of sources.
- Demonstrated innovations that are providing more appropriate and effective approaches to environmental management.
- Increased the profile of global environmental priorities and obligations within national government policy and planning processes in at least some countries.

Source: Medium-Sized Projects Evaluation (GEF/C.18/Inf.4)

17. Concerning MSPs, the 2006 evaluation had several findings. First, the MSP modality had been effective in its goal of widening access of GEF funding to nongovernmental partners and building their capacity. Second, MSPs appear to have performed well for their ability to leverage additional resources from other donors, government, NGOs and the private sector. Third, MSPs were effective in serving as an initial step in a longer process; i.e., the results of MSPs could be used as leverage to engage government in policy dialogue, which is particularly useful in countries where an entry point to setting environmental priorities is needed. Fourth, MSPs are not cost effective because it takes too much time and effort to develop and implement as compared to the investment and modality objectives. Fifth, there was no significant reduction in time delays for MSPs and elapsed time increased after the 2001 MSP evaluation but had since decreased.
18. The evaluation also pointed out that that the resource intensive nature of the MSP modality may have discouraged its growth and use, though some Agencies may have been motivated to undertake

MSPs despite inefficiencies because they raised the profile of the Agency at the grassroots level. To make the most of the MSP modality as originally envisaged, the evaluation suggested that the missed findings on complexity, flexibility and comparatively high workload should be systematically addressed.

19. Taking note of evaluation findings from the Joint Evaluation of the GEF Activity Cycle and Modalities, the GEF Council requested the GEF Secretariat to present options for a new project cycle, “with the objective of processing a proposal from identification to start of implementation in less than 22 months without compromising project quality or undermining financial accountability.”¹¹ The new project cycle proposal was approved by the GEF Council in June 2007. Its main elements included: (i) eliminating the stage of project concept approval; (ii) instead of detailed project documents for work program inclusion, the Agencies were expected to submit a streamlined Project Identification Form (PIF); (iii) establishing a business standard of 10 work days for the GEF Secretariat to respond to PIF submissions and requests for CEO endorsement.
20. As of 2012, the CEO has delegated authority to approve MSPs requesting less than or equivalent to two million US dollars in project financing. For MSPs, a GEF Agency chooses one of two procedures: a one-step approval process, wherein no PIF is required, or a two-step approval process where a GEF agency prepares a PIF at the request of, and in consultation with, relevant country institutions. See Annex 2. The respective GEF OFP endorses the PIF and the Agency submits the PIF to the Secretariat on a rolling basis. The Agency may request a Project Preparation Grant (PPG) at the time of PIF submission or at any time before CEO Approval submission. The CEO decides whether to approve the PPG. MSPs receive CEO approval no later than 12 months after CEO approves the MSP PIF.

Evaluation Goals, Objectives and Audience

21. The purpose of the evaluation is to undertake a comprehensive assessment of the medium-sized projects in the GEF portfolio. The main objective is to evaluate the role and performance of the GEF MSP modality and its use in the current GEF architecture. The evaluation will examine the evolution of the MSP modality, progress made since the last evaluation and assess the extent to which the MSP modality is achieving its intended role. The evaluation will also assess the relevance of the MSP within the GEF suite of modalities.
22. The specific objectives are to:
 - 1) Define the niche of MSPs in the GEF and whether MSPs play a specific role in the GEF that cannot be met by FSPs, small grants, enabling activities, or programs
 - 2) Assess the impacts of MSPs
 - 3) Assess design and implementation of MSPs
 - 4) Assess role of the MSPs within the context of GEF’s shift towards integrated programming
23. The primary audience is the GEF Council, who will eventually be called upon to make decisions on the MSP modality in the context of GEF-7 and beyond. The evaluation will also be useful to the GEF Secretariat, to the broader constituency of GEF Agencies and to GEF member countries as well as civil society partners.

¹¹ GEF/C.31/7 – GEF Project Cycle

Scope, Issues and Questions

24. The evaluation will cover MSPs designed and implemented from GEF-4 to GEF-7. The GEF-4 to GEF-7 portfolio is composed of 776 MSPs with \$USD 870.4¹² million in GEF grant and \$USD 4.74 billion in co-financing. It will consist of field and desk evaluations of MSPs in all the focal, including multi-focal, areas of the GEF. Cross-cutting issues such as gender, resilience and private sector involvement will be covered where opportunities for specific data gathering arise.
25. The evaluation questions are derived from: 1) the GEF-7 programmatic directions; 2) the main issues identified by previous evaluations and 3) from issues of concern for the GEF Council. Questions are divided into the four main evaluation criteria of relevance, effectiveness and results, efficiency and sustainability. An Evaluation Matrix is presented in Annex 3.

Relevance

- What factors have influenced the use of MSPs by participating countries?
- Are there particular gaps that the MSP modality is addressing?
- Have the MSPs allowed for a wider range of stakeholder engagement in GEF projects as intended? Who are those stakeholders?

Effectiveness and Results

- To what extent is the GEF MSP contributing to the delivery of global environmental and socio-economic benefits?
- What are the key factors affecting achievement of results?

Governance

- To what extent is the operational structure ensuring adequate oversight on the design and delivery of the MSPs? What are the key areas for improvement, if any?

Efficiency

- To what extent is the GEF project cycle for medium size projects efficient? Is the endorsement process efficient? Have policy improvements resulted in greater efficiencies?
- Is the monitoring and evaluation system for MSPs adequate and useful? What role did M&E play in programs adaptive management for the attainment of expected outcomes and impacts?

Sustainability

- What is the sustainability of outcomes from MSP projects? What are the key factors influencing sustainability of outcomes in MSPs?
- To what extent are innovative practices being replicated and upscaled and what are the factors influencing this?

¹² Grant amount including PPG but excluding agency fees. Total with agency fees is \$US 952.6 million.

Evaluation Design

26. The evaluation questions will be answered through a mixed methods approach encompassing both quantitative and qualitative analytical methods and tools. An evaluation matrix composed of the key questions, relevant indicators, sources of information and methods is presented in Annex 3. Synergies with other ongoing evaluations will be sought by coordinated data gathering, analysis, and cross-fertilization.
27. The evaluation will also draw on existing IEO evaluation evidence and ongoing evaluations which cover MSPs through case studies. For example, IEO has conducted a study on the sustainability of GEF project benefits in the APR, which includes MSPs. The study analyzed IEO datasets on terminal evaluation ratings and progress to impact to assess correlations among sustainability, outcomes, implementation, broader adoption, project design features, country characteristics and other variables. The analysis also took stock of projects for which field verifications were conducted by the IEO at least two years after project completion. The Strategic country cluster evaluations, the Scaling up study have also covered MSPs, and will contribute to the evidence base.
28. Methods and tools will include:
 - a. **Document review** of GEF policy and strategy documents, and MSP project related documents. These include: PFDs and related child Project Identification Forms (PIFs), Project Preparation Grants (PPGs) and/or other design documents; Project Implementation Reports (PIRs) and Mid-Term Reviews (MTRs); Terminal Evaluations (TEs). Quality at entry analysis for recently approved MSPs will be used for answering the relevance.
 - b. **Portfolio Analysis** of GEF MSPs based on PMIS data and Annual Performance Reports. A broader adoption/progress towards impact analysis will be conducted using the available terminal evaluations. A database will be compiled including basic project information such as GEF activity cycle information, financing (including co-financing), implementing institutions involved, focal areas, countries, main objectives, key partners, and implementation status. A Project Review Template (PRT) will be developed to assess the programs in a systematic to ensure that key evaluation questions are addressed coherently and allow for aggregation.
 - c. **Stakeholder Interviews.** Semi-structured interviews will be conducted with GEF staff, Agency staff, global stakeholders and GEF country-level partners (including meetings with governments, CSOs, academia and other stakeholders as relevant). The interviews will help identify and represent perceptions of key institutions with regards to GEF support to MSPs including in selected country contexts. Criteria driving the sampling include the following: the overall diversity of GEF support in terms of: geographical distribution; Agency distribution within countries; and other issues arising during the evaluation, including practical considerations.
 - d. **Surveys.** Surveys will be delivered online to capture the perspectives of a wide range of stakeholders, including the GEF Secretariat, GEF Agencies, GEF OFPs and other relevant government departments.
 - e. **Case Studies.** Case studies will assess the utility of MSPs for stakeholders and their method of implementation as compared to other GEF modalities. The evaluation will use evidence from

case study visits conducted by the GEF IEO since OPS6 which included an in-depth analysis of progress towards impact of GEF projects in selected GEF supported countries, and supplement those with complimentary questions on the choice of MSP as a modality, its efficiency, effectiveness, and results.. The selection of countries and intervention types will be informed by the overall portfolio analysis and guided by the following criteria: frequency of occurrence of intervention types in the portfolio, geographical distribution, and the innovative nature for specific kinds of interventions. In addition, a meta-assessment will be conducted to aggregate findings from all relevant and available evaluations. A few country visits (to be determined) will be carried out to conduct these case studies.

29. Triangulation of the qualitative and quantitative information gathered will be conducted at completion of the data analysis and gathering phase to determine trends and identify the main findings, lessons and conclusions. Stakeholders will be consulted during the process to test preliminary findings.

Quality Assurance

30. In line with IEO's quality assurance practice, quality assurance measures will be set up for this evaluation. An IEO internal reviewer will: 1) provide feedback and comments on the approach paper, the preliminary findings and the evaluation report; 2) help ensure evaluation relevance to ongoing as well as future operations; 3) help identify and establish contact with the appropriate individuals for interviews/focus groups; and 4) facilitate access to information. The principles of transparency and participation will guide this process. The feedback process will continue during data collection and analysis, as well as on completion of the report. Broader stakeholder interaction will contribute valuable information and qualitative data to supplement data, interviews, case studies, and other research.

Limitations

31. The evaluation team will be limited in the selection and analysis of the number of MSP projects for deeper learning/field visits due to time constraints and budgetary restrictions. This limitation will make it challenging to capture differences and similarities in the cohort of projects in different sectors, within various countries, institutional and governance contexts. The desk review will help identify the issues that require further study. Consultation with the Reference Group will also help the evaluation team to identify countries/regions and specific projects that are likely to generate quality information and data.
32. Another limitation that can be identified at this stage is the unreliability of PMIS data on MSP projects as it is not regularly updated, especially on status. The accuracy of PMIS data will be addressed by cross-checking PMIS portfolio information with the management information systems of GEF Agencies as a priority before undertaking any analysis. The team will report on how these as well as other emerging limitations will be dealt with during the evaluation data gathering and analysis phase.

Process, Deliverables and Dissemination

33. This evaluation is being conducted between February and November 2020. The evaluation will be conducted in two phases: I) aggregate analysis (portfolio, quality at entry, other); and II) field verifications (case studies) and interviews. An initial work plan is presented here below. The work plan will be revised and fine-tuned as part of further preparations (Table 4).

Table 4: Evaluation Timetable

Task	Year	2020												2021	
	Month	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb
Approach Paper															
Background information & portfolio data gathering		X													
Approach Paper discussed with the reference group			X												
Mission to a country to probe the evaluation design			X												
Finalizing the approach paper															
Data gathering and analysis															
Desk review/Portfolio analysis (PRT design and filling)				X											
Quality at entry			X												
Country case studies			X	X	X										
Triangulation brainstorming						X	X								
Gap filling						X	X								
Report writing															
Draft report								X	X						
Due diligence (gathering feedback and comments)									X	X					
Final report										X	X				
Presentation to Council in the SAER												X			
Dissemination and outreach													X	X	

34. The main findings, conclusions and recommendations will be presented to Council. The full report will be submitted as a Council information document. It will be distributed to the Council members, GEF Secretariat, STAP, GEF country focal points and GEF Agency staff. A graphically edited version will be published as open access on the IEO's website. A detailed dissemination plan will be prepared and implemented, which will include distribution of the above-mentioned outputs in the main evaluation networks through existing IEO mailing lists as well as mailing lists of audience and stakeholders that will be developed during the conduct of the evaluation. The plan will also consider concrete opportunities to present the evaluation through webinars as well as at evaluation conferences and workshops.

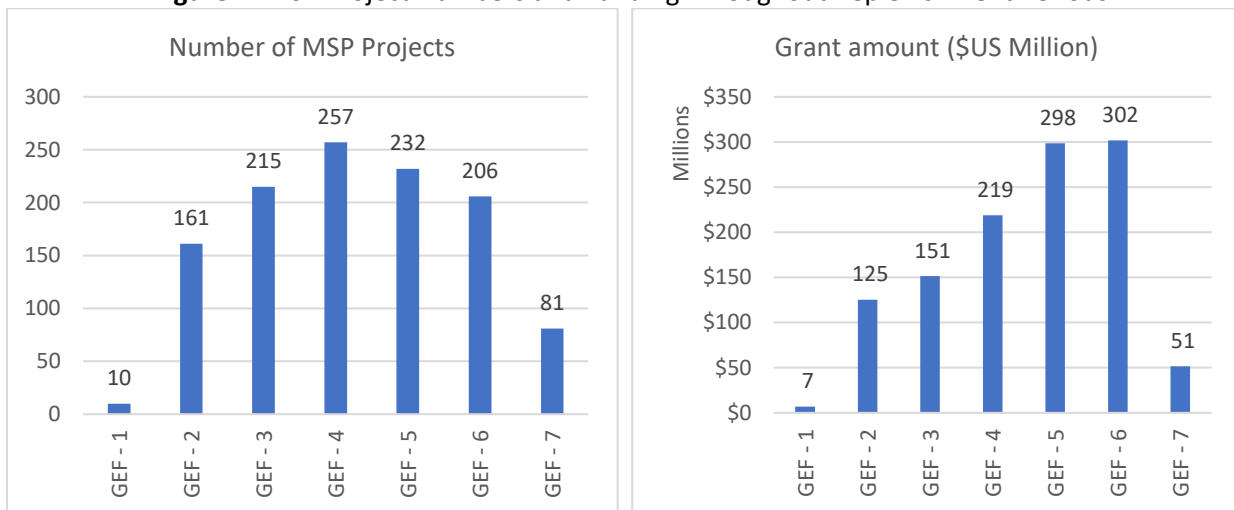
Resources

35. The evaluation of MSPs will be conducted by a team led by an Evaluation Analyst with overall guidance from the Chief Evaluation Officer of the IEO. The evaluation will coordinate with other ongoing evaluation for desk reviews and portfolio analyses support. National or regional consultants will be selected for field verifications when applicable. The required skills mix includes practical, policy, and/or academic expertise in key GEF focal areas of the projects and programs under analysis, evaluation experience and knowledge of external information sources that are relevant to GEF activities in the case study countries.

Annex 1 – MSP Portfolio

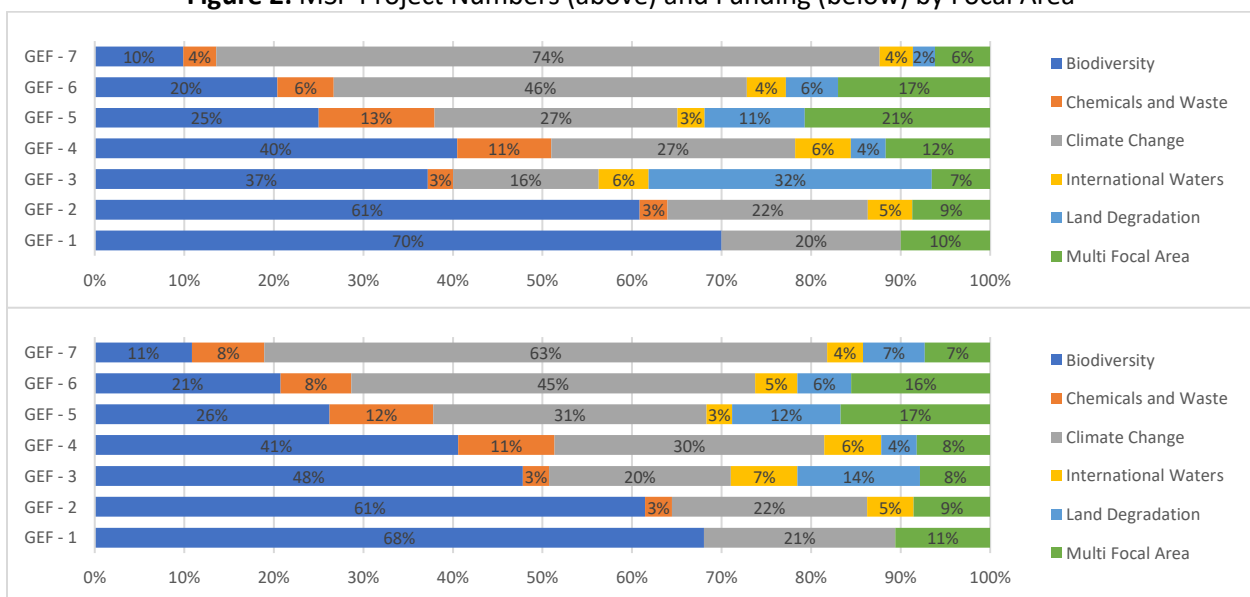
- As of December 2019, the GEF had approved 1162 MSPs committing GEF grant of \$USD 1.15¹³ billion and \$USD 5.54 billion in co-financing. The MSPs account for 23% of all GEF projects and 7% of GEF Grants. The highest number of MSPs occur in the biodiversity focal area with 34% of projects, followed by climate change with 31%. Multi-focal area projects make up 13% while land degradation projects make up 10% of the portfolio. The chemicals and waste MSPs make up 7% of the portfolio and international waters 5%.

Figure 1: MSP Project Numbers and Funding Throughout Replenishment Periods



Source: GEF PMIS and GEF Portal as of December 30, 2019, excluding canceled/dropped projects.

Figure 2: MSP Project Numbers (above) and Funding (below) by Focal Area

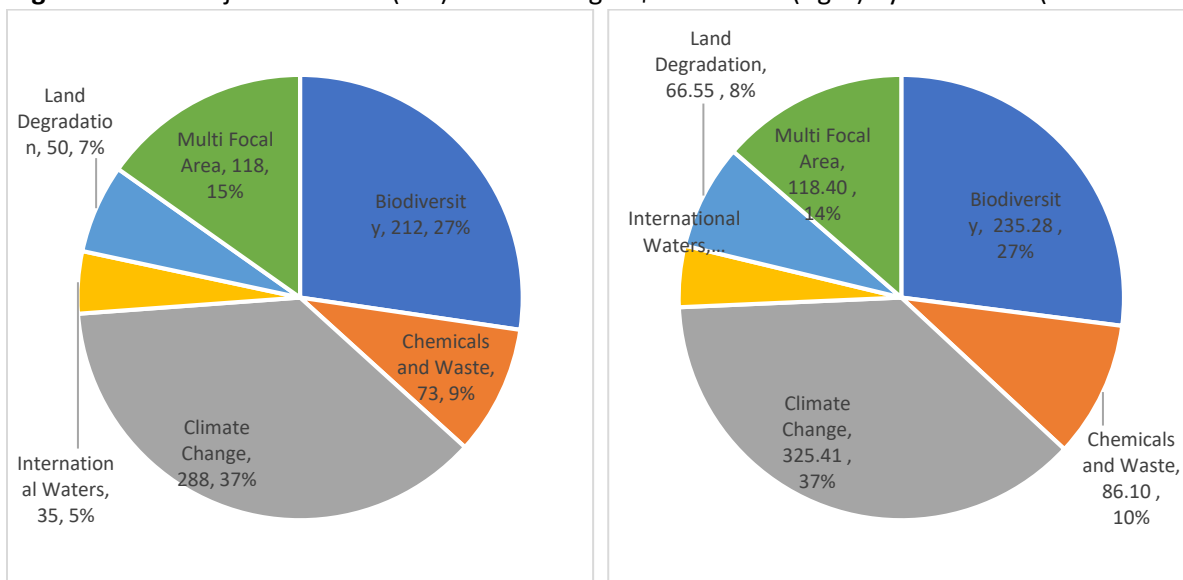


Source: GEF PMIS and GEF Portal as of December 30, 2019, excluding canceled/dropped projects.

¹³ Grant amount exclude agency fees. Total with Agency fees is \$USD 1.27 billion

- The GEF-4 to GEF-7 portfolio is composed of 776 MSPs with \$USD 870.4¹⁴ million in GEF grant and \$USD 4.74 billion in co-financing.

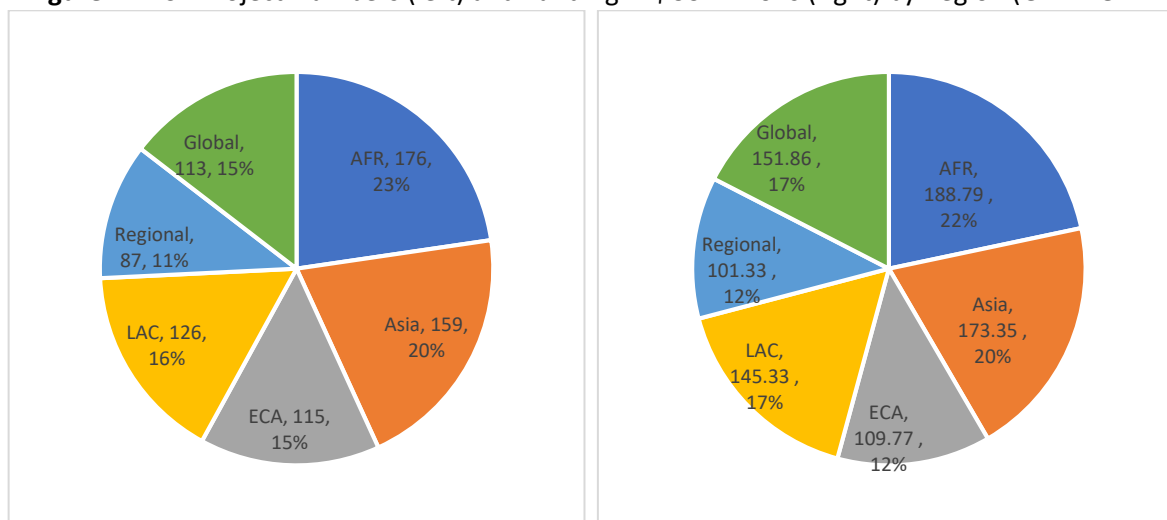
Figure 3: MSP Project Numbers (left) and Funding in \$US millions (right) by Focal Area (GEF-4 GEF-7)



Source: GEF PMIS and GEF Portal as of December 30, 2019, excluding canceled/dropped projects.

- Majority of the MSPs are national projects (71% of projects and 74% of total financing). The regional distribution of the national MSPs is as follows: Africa (23%), followed by Asia (20%), Latin America and the Caribbean (16%) and Europe and Central Asia (15%). Regional and Global MSPs make up 26% of the portfolio.

Figure 4: MSP Project Numbers (left) and Funding in \$US millions (right) by Region (GEF-4 GEF-7)

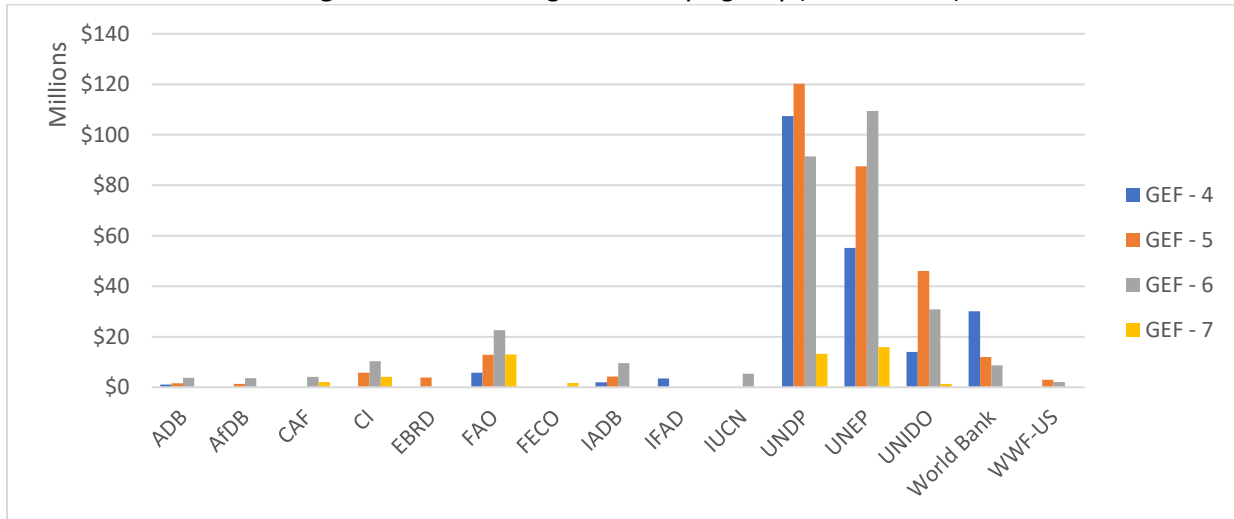


Source: GEF PMIS and GEF Portal as of December 30, 2019, excluding canceled/dropped projects.

¹⁴ Grant amount including PPG but excluding agency fees. Total with agency fees is \$US 952.6 million.

4. Figure 5 presents a breakdown of the funding for MSPs as implemented by GEF Agencies between GEF-4 and GEF-7. Overall, UNDP has been the main implementer of MSPs with 41% of the of the total GEF grant (\$US482.9 million), followed by UNEP with 27% and World Bank with (11%). As the three original agencies of the GEF, this distribution is not unexpected. The distribution has changed over time with a decrease in use of the MSP modality by the World Bank from GEF 5 and a decrease by UNIDO and UNEP in GEF6 but increased use by IADB and FAO in GEF6.

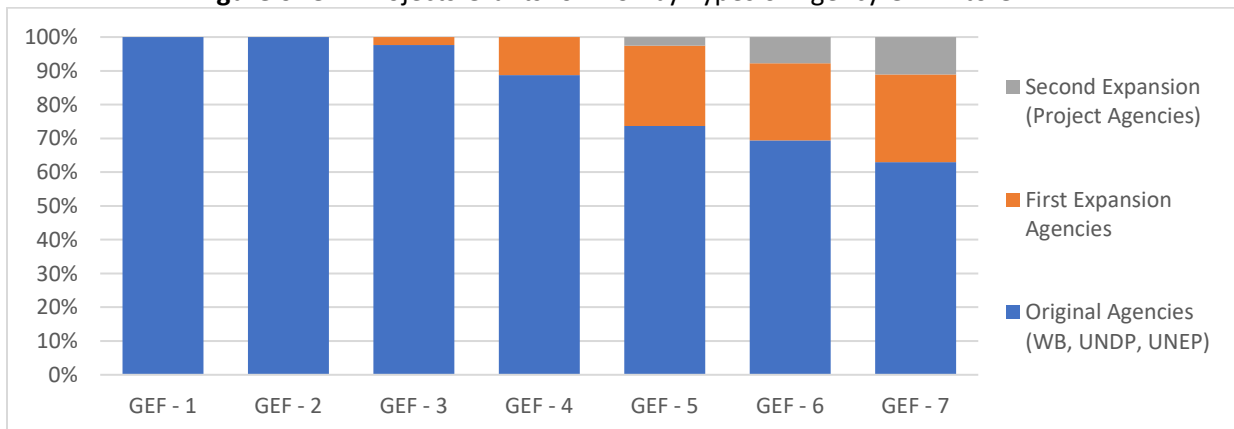
Figure 5: GEF Funding for MSP by Agency (\$US Millions)



Source: GEF PMIS and GEF Portal as of December 30, 2019, excluding canceled/dropped projects.

5. Analysis of all projects between GEF-4 to GEF-7 shows that the share of the original 3 agencies (WB, UNDP, UNEP) have decrease in share of projects and financing over the GEF phases, with newer agencies (expansion 1) increasing to 26% by GEF-7 (from 2% in GEF-3, 11% in GEF-4, and 23-23% in GEF- and GEF-6), and the newly accredited agencies are (expansion 2) following the same overall trend (3% in GEF-5, 8% in GEF-6, and 11% GEF-7).

Figure 6: GEF Projects Grants for MSP by Types of Agency GEF-1 to GEF-7



Source: GEF PMIS and GEF Portal as of December 30, 2019, excluding canceled/dropped projects.

6. Analysis of the overall GEF portfolio between GEF-4 and GEF-7 reveals that the GEF invested a total of \$US 11.29 billion through 3098 GEF projects, of which \$870.43 million is in GEF Grants and \$4.74 billion in co-financing went to 776 national, regional, or global medium sized interventions. Thirty

four percent of these MSP projects have been completed, with 30% currently under implementation and 36% have been approved or pending approval.

- MSPs are funded predominantly through the GEF trust fund (89% of funding), 6% of funding is through the CBIT fund.

Table 1: MSPs by Funding Source and Percent of Total GEF-4 – GEF-7

	Number of Projects	GEF Grant (\$US millions)	Project Co-Financing (\$US millions)
N/A	12*	-	-
CBIT	45	53.04	39.17
GET	678	778.18	4,463.07
LDCF	15	16.57	157.13
MTF	1	.**	2.30
NPIF	12	13.25	35.25
SCCF	13	9.40	44.41
Grand Total	776	870.43	4,741.34

*Projects newly entered into the pipeline

** Project new to the pipeline, not all financial information is available

Source: GEF PMIS and GEF Portal as of December 30, 2019, excluding canceled/dropped projects.

Table 2: MSP Project Status GEF4-GEF6 in \$ and No. of Projects

	Number of Projects	GEF Grant (\$US millions)	Project Co-Financing (\$US millions)
Pending Approval	54	30.62	239.34
PIF/PPG Approval or Clearance	44	33.85	59.99
Council Approved	53	72.31	433.77
CEO Approved / Endorsed	125	182.61	1,103.93
Under Implementation	233	309.69	2,073.52
Completed / Closed	267	241.35	830.80
Grand Total	776	870.43	4,741.34

Source: GEF PMIS and GEF Portal as of December 30, 2019, excluding canceled/dropped projects.

- Of the 776 MSP in GEF4-GEF6, 576 projects are national interventions, 91 of which are child projects belonging to larger programs, and 485 of which are stand-alone projects.

Table 3: MSP National Level Child Projects vs Standalone Projects GEF-4 – GEF-7

	Number of Projects	GEF Grant (\$US millions)	Project Co-Financing (\$US millions)
Child Project MSPs	91	70.20	248.06
Stand Alone MSPs	485	547.04	3,276.42
Grand Total	576	617.24	3,524.48

Performance of Medium Size Projects

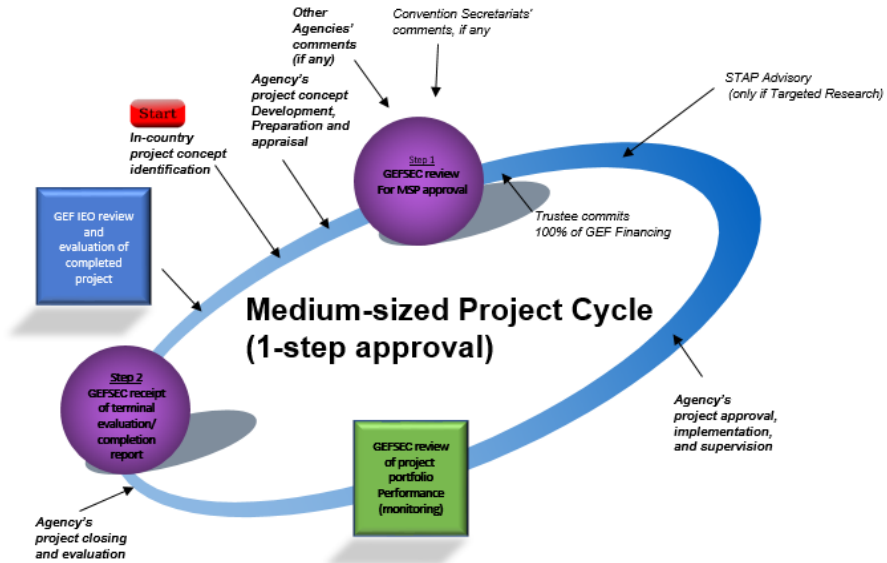
- Terminal evaluations have been received for 253 of the 267 closed MSPs between GEF-4 and GEF-7. Regarding performance of MSPs, the most recent Annual Performance Review¹⁵ of the IEO found

¹⁵ GEF/ME/C.54/Inf.02. Annual Performance Report 2017

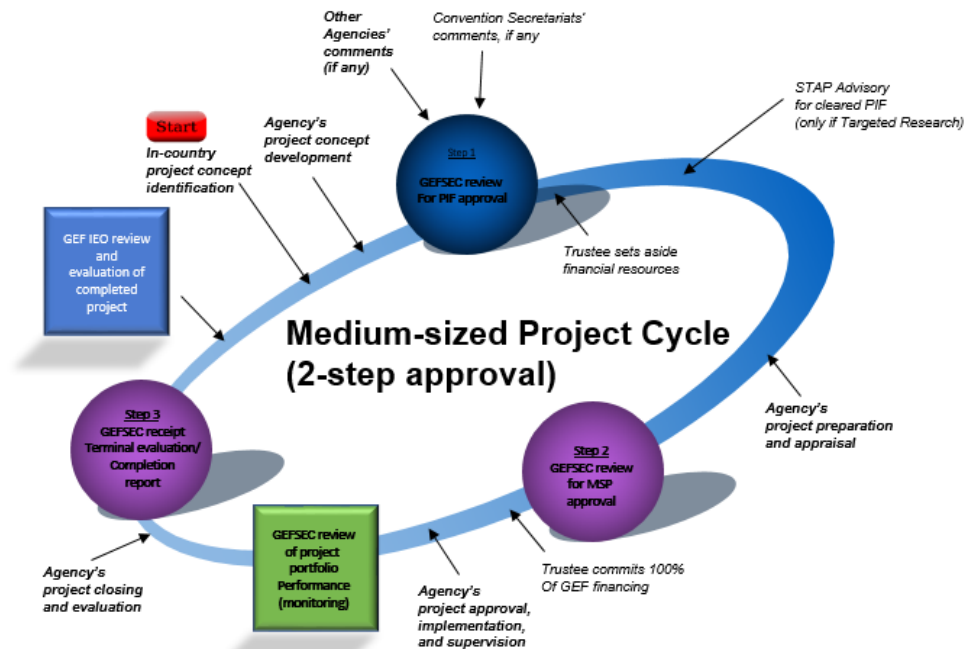
that a higher percentage of medium sized projects have satisfactory outcomes compared with full sized projects. Also, according to the 2017 Annual Performance Report, the quality of terminal evaluation reports received by the GEF IEO remains high, with 83 percent of all terminal evaluations rated in the satisfactory range. The quality of terminal evaluations submitted by UNDP and UNEP do not differ for full-sized or medium-sized projects. However, the quality of World Bank's terminal evaluations for medium-size projects is lower than for full-size projects. For the other Agencies the number of observations is still too small to draw strong inferences. The evaluation will take a closer look at the APR ratings of MSPs in comparison to other GEF support modalities.

Annex 2: MSP Project Cycle

Medium-sized Project-1 Step



Medium-sized Project-2 Step



Annex 3: Evaluation Matrix

Key Questions	Indicators/basic data/what to look for	Sources of information	Methodology
Relevance			
What are the typical projects funded using MSPs and why? What factors have influenced the use of MSPs by participating countries?	<ul style="list-style-type: none"> - Alignment of GEF support with national environmental priorities and budgets, and with other donors' support to the environmental sector in the countries - Evolution of STAR and non-STAR focal areas allocations and utilization 	<ul style="list-style-type: none"> - IEO & GEF Agencies' evaluations - Country stakeholder - Available country data - Country stakeholder 	<ul style="list-style-type: none"> - Documentation review - Portfolio analysis - Interviews - Case studies
Are MSPs deploying innovative approaches to demonstrate or pilot initiatives for transformational change? What is the role of MSPs when used in GEF programs as compared to standalone projects?	<ul style="list-style-type: none"> - Actual and planned use of the services available to countries from the GEF Agencies - Perceptions on incentives and disincentives to embark in GEF integrated programs and/or multifocal projects - Existence and trends in MSP child projects, including lessons and good practices 	<ul style="list-style-type: none"> - GEFSEC, Agencies' strategic/programming documents - Country stakeholders - Available country data (laws/policies, strategies and budgets; documentation from other donors) - Portfolio data from PMIS verified by GEF Agencies and project documentation 	<ul style="list-style-type: none"> - Documentation review protocol - Interviews - Field observations in country studies - Portfolio analysis
What gaps is the MSP modality addressing? How does the GEF MSP modality compare with other similar modalities on multilateral organizations/GEF Agencies? Have the MSPs allowed for a wider range of stakeholder engagement in GEF projects as intended? Who are those stakeholders?	<ul style="list-style-type: none"> - Degree of integration of GEF program support within country systems - Alignment of GEF program support with other donor programs support as well as with national priorities and national budgets - Perceptions on stakeholder incentives and/or disincentives to embark in GEF programs - Degree of consistency between GEF and other multilateral organizations/GEF Agencies in delivering an MSP-like modality? 	<ul style="list-style-type: none"> - GEFSEC/Agency stakeholders - Country stakeholders - Available country data (laws/policies, strategies and budgets; documentation from other donors) IEO's country-level evaluations -Performance data, including available terminal evaluations of MSP-like projects from other multilateral organizations. 	<ul style="list-style-type: none"> - Documentation review - Portfolio analysis - Interviews - Case studies
Effectiveness and Results			
To what extent is the GEF MSP contributing to the delivery of global environmental and socio-economic benefits?	<ul style="list-style-type: none"> - Effectiveness ratings - Review of results framework and indicators on environmental and socio-economic data - GEB targets at entry for MSPs 	<ul style="list-style-type: none"> - APR data, including any other available TEs/TERs of projects completed between GEF4 and GEF6 - GEFSEC Annual Monitoring Report data - Review of MSP project documents 	<ul style="list-style-type: none"> - Portfolio analysis/documentation review - Broader Adoption/P2I desk analysis - Field observations in country case studies - Desk review - Interviews

What are the key factors affecting achievement of results?	<ul style="list-style-type: none"> - Monitoring and evaluation ratings - Existence and quality of elements of guidance on MSP M&E - Evidence of adaptive management (i.e. changes at mid-term) - Types of M&E information used/acknowledgement of usefulness -Standards of measurement used for MSPs 	<ul style="list-style-type: none"> - APR data, including any other available TEs/TERs of projects completed between GEF4 and GEF6 - PIRs, MTRs - Global, regional and country level stakeholders 	<ul style="list-style-type: none"> - Field observations in country studies - Interviews - Portfolio analysis/documentation review
Governance			
To what extent is the operational structure ensuring adequate oversight on the design and delivery of the MSPs? What are the key areas for improvement, if any?	<ul style="list-style-type: none"> - Time elapsed for project approval and reviews per project - Types of reporting for MSP projects available 	<ul style="list-style-type: none"> - GEFSEC Annual Monitoring Report data - Review of MSP project documents 	<ul style="list-style-type: none"> - Desk review - Interviews - Portfolio analysis/documentation review
Efficiency			
To what extent is the GEF project cycle for medium size projects efficient? Is the endorsement process efficient? Have policy improvements resulted in greater efficiencies?	<ul style="list-style-type: none"> - Efficiency ratings and their variations over time - Perception of the factors influencing elapsed times between various phases in the project cycle 	<ul style="list-style-type: none"> - TEs/TERs of projects completed between GEF4 and GEF6 - Portfolio data from PMIS verified by GEF Agencies - Country stakeholders 	<ul style="list-style-type: none"> - Documentation review - Interviews - Case studies selected on an opportunistic basis - Portfolio analysis/documentation review
What are the factors affecting the project cycle and the areas for improvement?	<ul style="list-style-type: none"> - Analysis of quantitative findings and reasons for variations 	<ul style="list-style-type: none"> - TEs/TERs of projects completed between GEF4 and GEF6 - Portfolio data from PMIS verified by GEF Agencies - Country stakeholders 	<ul style="list-style-type: none"> - Documentation review protocol - Interviews - Case studies selected on an opportunistic basis - Portfolio analysis/documentation review
Is the monitoring and evaluation system for MSPs adequate and useful? What role did M&E play in programs adaptive management for the attainment of expected outcomes and impacts?	<ul style="list-style-type: none"> - Monitoring and evaluation ratings - Existence and quality of elements of guidance on MSP M&E - Evidence of adaptive management (i.e. changes at mid-term) - Types of M&E information used/acknowledgement of usefulness -Standards of measurement used for MSPs 	<ul style="list-style-type: none"> - APR data, including any other available TEs/TERs of projects completed between GEF4 and GEF6 - PIRs, MTRs - Global, regional and country level stakeholders 	<ul style="list-style-type: none"> - Field observations in country studies - Interviews - Portfolio analysis/documentation review

Sustainability

<p>What is the sustainability of outcomes from MSP projects? What are the key factors influencing sustainability of outcomes for MSPs?</p>	<p>- Ratings of sustainability of project outcomes Financial, socio-political, institutional, and environmental risks to sustainability ratings</p>	<p>- Study on the sustainability of GEF project benefits TEs/TERs of projects completed between GEF4 and GEF6 - Portfolio data from PMIS verified by GEF Agencies - Country stakeholders</p>	<p>- Documentation review protocol - Interviews - Case studies selected on an opportunistic basis - Portfolio analysis/documentation review</p>
<p>To what extent are innovative practices being replicated and upscaled and what are the factors influencing this?</p>	<p>- Aggregate broader adoption – sustaining, replication, scaling-up, mainstreaming and market change mechanisms in place</p>	<p>- APR data, including any other available TEs/TERs of projects completed between GEF4 and GEF6</p>	<p>- Documentation review protocol - Interviews - Case studies selected on an opportunistic basis - Portfolio analysis/documentation review</p>