



This brief looks at the accomplishments of completed GEF projects in terms of outcomes, sustainability, implementation, M&E, and cofinancing.

FINDINGS

Overall, performance ratings of completed GEF projects show an improvement from GEF-3 to GEF-4. While it remains to be seen whether this uptick in ratings is stable, as only 39 percent of the approved GEF-4 projects have been covered so far, it may be said that the performance of the GEF-4 projects is either as high as or higher than that of projects from the preceding periods. Following are the key emerging findings.

- The **outcomes** of 85 percent of the rated projects from GEF-4, and 79 percent of those from the OPS6 cohort, are rated in the satisfactory range.
- The majority of completed projects are rated likely for **outcome sustainability**. Seventy-one percent of the rated projects from GEF-4, and 63 percent of those from the OPS6 cohort, are rated moderately likely or higher.
- The GEF Agencies perform their Implementing Agency role satisfactorily for a high percentage of projects. Eighty-eight percent of the rated projects from GEF-4, and 79 percent of the rated projects of the OPS6 cohort, were rated

in the satisfactory range on **quality of project implementation**.

- The performance of completed projects was moderate in terms of **quality of project M&E**. Sixty-nine percent of rated projects from GEF-4, and 62 percent of rated projects from the OPS6 cohort, were rated in the satisfactory range for M&E implementation.
- **Cofinancing** commitments are met for the majority of completed projects, and on average, the reported materialized cofinancing exceeds promised cofinancing, especially for projects approved from GEF-2 onwards. Cofinancing commitments were fully met for 62 percent of the completed projects from GEF-4 and 56 percent of the OPS6 cohort projects.

HISTORY

The GEF IEO has been tracking project-level accomplishments systematically since 2005. An overview of the performance of completed projects, along with targeted analysis on other performance-related topics, is presented in the APRs prepared by the IEO. Much of the

PURPOSE AND METHODS: The annual performance reports (APRs) prepared by the Independent Evaluation Office (IEO) of the Global Environment Facility (GEF) provide a detailed overview of the performance of GEF activities and processes, key factors affecting performance, and the quality of monitoring and evaluation (M&E) systems within the GEF partnership. The work for APR 2016 has been mainstreamed as an input to the Sixth Comprehensive Evaluation of the GEF (OPS6). The work is still ongoing, and this brief presents emerging findings on some of the performance dimensions.

WEB PAGE: <http://www.gefio.org/evaluations/project-results-study>

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ABOUT US: The IEO of the GEF has a central role in ensuring the independent evaluation function within the GEF. www.gefio.org

NOTE ON METHODOLOGY

The analysis presented in this brief draws on terminal evaluation review data. These terminal evaluation reviews have been prepared by the GEF IEO or the independent evaluation offices of the GEF Agencies. The terminal evaluations submitted to the GEF IEO up to October 31, 2016, have been taken into account. In all, 1,184 completed GEF projects for which terminal evaluations are available have been covered.

To assess performance trends, the analysis is based on the GEF replenishment periods during which the completed projects were approved. Special attention is given to the performance of GEF-4 projects, as this is the most recent period for which a sizable percentage of approved projects (39 percent) have been covered. Only nine projects from GEF-5—or 1 percent of the projects approved during GEF-5—have been covered; thus, the observations for GEF-5 are too few to allow thorough analysis and have therefore not been reported separately. Figures are also presented for the 581 projects for which terminal evaluations were submitted after the Fifth Overall Performance Study (OPS5)—i.e., the OPS6 cohort. However, the OPS6 cohort includes several projects from the GEF-3 and earlier periods.

analysis presented in the APR is based on review of terminal evaluations.

OPS6 includes data on completed projects for which terminal evaluations had been submitted as of October 31, 2016. In all, 1,184 completed GEF projects—which account for \$5.2 billion in GEF funding—are included. The long time series of completed projects covered in OPS6 allows a replenishment period-based analysis. Given that only a few of the GEF-5 projects and none of the GEF-6 projects have been completed, the reporting presented in this brief focuses on GEF-4 and preceding periods.

RESULTS

Outcomes. The extent to which a project achieves its expected outcomes is indicative of the extent to which GEF expectations from the project were met and whether the project is on course to meet its long-term objectives. Outcomes of 73 percent of the rated projects from the pilot phase were rated in the satisfactory range. This increased to 80 percent for the GEF-1 period; thereafter, it was stable at this level up to the GEF-3 period. Outcomes of 85 percent of the rated GEF-4 projects are in the satisfactory range.

Seventy-nine percent of the OPS6 cohort projects had satisfactory outcome ratings ($n = 577$ projects). Considering the three original **GEF Agencies** and the OPS6 cohort, 85 percent of 71 rated projects implemented by the United Nations Environment Programme (UNEP), 84 percent of 262 rated projects implemented by the

United Nations Development Programme (UNDP), and 67 percent of 175 rated projects implemented by the World Bank are rated in the satisfactory range. The outcomes of 87 percent of 46 rated projects implemented by other Agencies are also rated in the satisfactory range, while 70 percent of 23 rated jointly implemented projects are in the satisfactory range.

A decline in ratings in World Bank projects has been noted in recent APRs. One key reason for the drop is more stringent application of rating criteria by the Independent Evaluation Group of the World Bank, whose ratings are adopted by the GEF IEO, from 2010 to 2014. Further, within the World Bank-implemented projects, there is a significant difference in the ratings of blended versus non-blended projects. In a blended project, a GEF project grant and accompanying World Bank loan are processed as a single project; in nonblended projects, the World Bank processes a GEF project grant and the accompanying World Bank loan (cofinancing) as separate projects. Outcomes of 61 percent of blended projects ($n = 101$) and 80 percent of nonblended projects ($n = 286$) implemented by the World Bank are rated in the satisfactory range. As more GEF projects implemented by other GEF multilateral development bank Agencies are completed, it will be feasible to compare patterns in their GEF portfolios with that observed in the World Bank's GEF portfolio.

By **region**, in both the Europe and Central Asia region and the Latin American and Caribbean regions, outcomes of 81 percent of projects are rated in the satisfactory

range (out of 99 and 106 rated projects, respectively). In both the Asia region and globally, the outcomes of 83 percent of projects are rated in the satisfactory range (out of 146 and 52 rated projects, respectively). Outcomes of 72 percent of projects implemented in Africa are rated in the satisfactory range ($n = 174$), which is lower than in the other regions.

Of the **focal areas** represented in the OPS6 cohort, outcomes of 85 percent of the rated biodiversity projects ($n = 199$), 82 percent of chemicals projects ($n = 38$), 81 percent of multifocal projects ($n = 72$), 77 percent of climate change projects ($n = 165$), 72 percent of land degradation projects ($n = 47$), and 64 percent of international waters projects ($n = 47$) are rated in the satisfactory range.

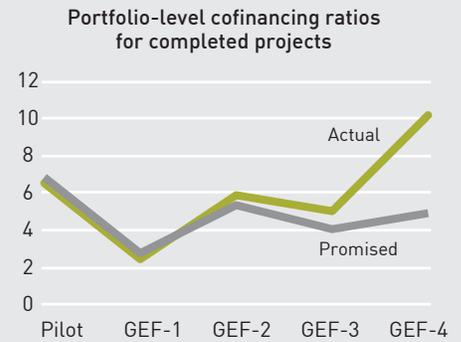
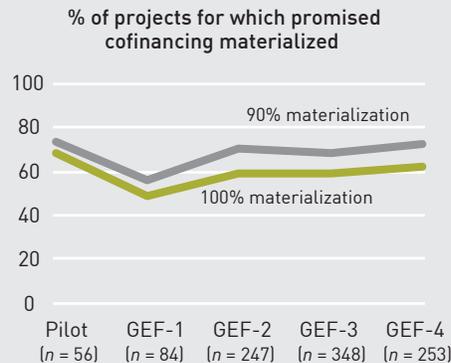
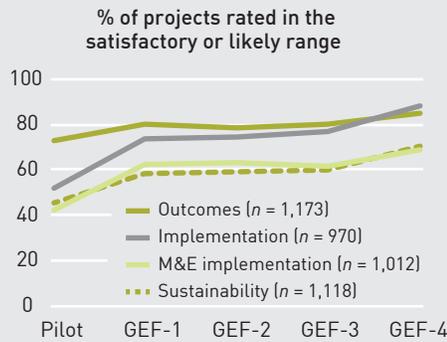
The land degradation focal area was introduced in GEF-3, and has maintained similar ratings for the two replenishment periods for which data are available: 76 percent for GEF-3 projects (41 rated projects) and 77 percent for GEF-4 projects (26 rated projects). The low portfolio ratings for the OPS6 cohort of international waters projects is driven by a greater than expected percentage of terminal evaluations for low-performing projects from the GEF-2 and GEF-3 periods. When the data for the entire portfolio are taken into account, the outcome ratings for international waters projects show a decline from the pilot phase (88 percent of 7 projects) to GEF-3 (67 percent of 42 projects). The outcome ratings of international waters projects show an uptick for the GEF-4 period: 83 percent are rated in the satisfactory range ($n = 30$).

Sustainability. GEF support to a project ends when project implementation is completed. Thereafter, sustenance of project outcomes primarily depends on other actors and contextual factors. To rate sustainability of outcomes, the GEF IEO assesses risks to sustainability of project outcomes at the point of project completion. Compared to the projects from the preceding periods, a higher percentage of completed GEF-4 projects (69 percent) are rated moderately likely or higher on sustainability of their outcomes.

Of the 545 rated projects of the OPS6 cohort, 63 percent were rated moderately likely or higher. This is comparable to the long-term average of 62 percent for the entire rated GEF portfolio ($n = 1,118$).

At the cumulative portfolio level, projects implemented in Latin America and

PERFORMANCE HIGHLIGHTS



the Caribbean have the highest sustainability of outcome ratings, with 69 percent of projects rated moderately likely or higher ($n = 231$); projects implemented in the Europe and Central Asia and Asia regions are comparable, with outcome sustainability of 67 percent of 218 rated projects and 65 percent of 269 rated projects, respectively, rated as moderately likely or higher. Fifty-eight percent of the 105 rated projects implemented globally have sustainability ratings of rated moderately likely or above. Only 50 percent of the 295 rated projects implemented in Africa were so rated. As noted in APR 2015, projects in Africa are implemented under difficult conditions where capacity constraints and institutional and financial risks tend to be higher than in other regions.

Implementation. GEF Agencies are expected to prepare and supervise GEF projects; they are expected to follow GEF fiduciary standards, safeguards, and policies; and, when required, take timely corrective action to keep the project on track. Assessment of quality of implementation takes into account how well an Agency performed its role.

There is a substantial improvement in quality of implementation from the pilot phase, when 52 percent of the 54 rated projects were rated in the satisfactory range, to the GEF-4 period, when 88 percent of the rated 286 projects were rated in the satisfactory range. There is an 11 percent improvement from the GEF-3 to the GEF-4 period. As noted earlier, the figures for GEF-4 may drop as data for

more projects that are still under implementation become available. Even so, it is likely that the ratings will remain higher than for preceding replenishment periods.

Seventy-nine percent of the projects in the OPS6 cohort are rated in the satisfactory range on quality of implementation ($n = 547$); this is identical to the long-term rated portfolio average ($n = 970$). Eighty-eight percent of 286 rated GEF-4 projects were rated in the satisfactory range for quality of implementation. By GEF Agency for GEF-4 projects, 97 percent of UNEP-implemented projects ($n = 39$), 88 percent of UNDP-implemented projects ($n = 179$), 83 percent of World Bank-implemented projects ($n = 35$), and 85 percent of those implemented by other Agencies ($n = 33$), were rated in the satisfactory range.

Project monitoring and evaluation.

M&E is essential for ensuring that project activities are on track, providing project management with information required for adaptive management, and fostering accountability and learning at the project and higher levels. Like the trends on other performance indicators, ratings for project M&E also show an improvement for the GEF-4 period. The percentage of projects for which M&E implementation is rated in the satisfactory range is higher for GEF-4 than GEF-3 projects: 69 versus 62 percent.

Of the 546 rated projects of the OPS6 cohort, 62 percent were rated in the satisfactory range for M&E implementation. This is similar to the long-term average of 64 percent of projects rated in the satisfactory range ($n = 1,012$).

Cofinancing. For the majority of completed GEF projects, cofinancing promised at Chief Executive Officer (CEO) endorsement/Approval materializes during project implementation; from GEF-2 onwards, portfolio average materialized cofinancing has been higher than promised. From GEF-2 on, cofinancing commitments were fully met or exceeded for at least 59 percent of projects; at least 68 percent of projects received 90 percent or more of their cofinancing commitments. The data on promised cofinancing for the pilot phase to GEF-4 projects show fluctuations, as portfolio averages tend to be skewed by outliers.

ISSUES TO ADDRESS

OPS6 analysis on project performance is still ongoing.

Based on the analysis conducted so far, it may be said that GEF projects demonstrate solid performance in terms of outcome achievements, quality of implementation, and meeting their cofinancing commitments. Performance in terms of sustainability of outcomes and M&E implementation is moderate. The analysis also shows that performance of the completed GEF-4 projects is somewhat higher than that of projects from earlier replenishment periods—albeit with variations in the performance ratings by focal area, Agency, region, and country group. These need to be analyzed further along with factors that cause variations in performance to distill firm conclusions from the data.