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INTERNATIONAL WATERS FOCAL AREA STUDY

(Prepared by the GEF Independent Evaluation Office)

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EXECUTIVE SUMMARY

Whether the world is talking about economic or social development, peace and security, or protecting the planet and adapting to climate change, water needs to be at the heart of the conversation". (The High Level Panel on Water, September 2016¹)

1. Twenty years since the GEF Council established the international waters (IW) focal area and adopted its operational strategy, the IEO undertook a third study of the focal area, following those completed in 2002 and 2005. The purpose of this study, as part of OPS6, was to provide insights and lessons going forward into the next replenishment cycle (GEF-7), based on evidence from an analysis of the IW portfolio (296 projects), evaluations and terminal evaluations, and on interviews with internal and external stakeholders. The main objectives of the study were to assess the current relevance of the focal area and its effectiveness in creating an enabling environment for transboundary cooperation and in stress reduction.

1. Findings

High Level of Contemporary Relevance

2. The foundations established for the IW focal area by the 1995 operational strategy have continued to inform actions in the focal area throughout the GEF-4, GEF-5, and GEF-6 replenishment cycles. The focal area strategies have evolved and embraced changing global priorities, and focal area actions have been expanded to address new environmental threats to sustainable development. The focal area is particularly suited and able to contribute to the achievement of a number of Sustainable Development Goal (SDG) targets.

3. Degradation and depletion of the planet's largely transboundary freshwater and marine resources are caused by complex global pressures of population growth and forced migration, changing climate, global financial and trade distortions, food shortages, and changing diets—not just by water mismanagement and policy failures. Within this context, the role of the IW focal area, with its transboundary mandate, acquires substantial importance, as facing these multiple stresses requires strengthened cooperation among countries and a collective response to the multiple stresses on individual waterbodies. Based on the evidence collected by the 2016 IW study, it is clear that the focal area is contributing to the enhancement of regional security and has made significant contributions to support sustainable use and the protection of transboundary waters, their living resources, and dependent ecosystems, further corroborating the findings of the 2005 study.

4. The relevance of the IW focal area has also been analyzed from the perspective of the relevance of recently approved projects to the achievement of GEF-6 strategic goals. The conclusion is that, based on the few project concepts approved so far, the focal area is responding to GEF-6 programming directions. The only subject not currently covered regards high-altitude melting glaciers.

Largely Satisfactory Performance

¹ The High Level Panel on Water (HLPW) is co-convened by the UN Secretary General and the President of the World Bank. It is made up of 11 sitting Heads of State and Government, and a Special Advisor.

5. The 127 closed projects have been rated on overall outcome achievement, sustainability, and monitoring and evaluation (M&E). Seventy-four percent of the completed projects in the IW portfolio have outcome ratings in the satisfactory range, similar to ratings reported across all focal areas in the Annual Performance Report 2015 (APR 2015). Seventy-nine percent of regional projects have satisfactory outcomes, as compared with 64 percent of national projects. Success rates were highest in Asia (80 percent), and lowest in Europe and Central Asia (65 percent). Focal area support projects (including research and scientific projects) had the highest outcome ratings (89 percent); stress reduction projects (including demonstration and foundational projects) had a success rating of 72 percent. Marine projects (n = 53) have a slightly higher percentage of satisfactory outcome ratings as compared with freshwater projects (n = 51): 77 percent versus 71 percent, respectively.

6. Sixty-two percent of projects have sustainability ratings of moderately likely or higher, based on the likelihood of project benefits continuing past project closure. This figure is similar to sustainability ratings across all GEF completed projects, again according to APR 2015. Fifty-three percent of rated projects have M&E design ratings in the satisfactory range, and 56 percent have satisfactory M&E implementation ratings. As per the APR 2015, these figures are slightly lower than the M&E ratings of the overall GEF portfolio (59 percent and 62 percent, respectively); however, the difference is not statistically significant. Full application of, and reporting on IW process and stress reduction indicators in projects, would greatly benefit future performance evaluations.

7. The focal area is now operating in all GEF-eligible countries. It is engaged in:

- (a) facilitating cooperation over transboundary water issues in the majority of GEF eligible large marine ecosystems and major river and lake basins of the planet (79 waterbodies);
- (b) directing its investments toward stress reduction in all major high seas fisheries;
- (c) elimination of marine dead zones due to excess nutrients in East Asia, the Mediterranean, the Gulf of Mexico, and the Caribbean;
- (d) strengthening river commissions and other regional bodies; and
- (e) promoting multi sectoral approaches to surface and groundwater management and a multiplicity of transboundary management arrangements in the Africa, Europe and Central Asia, and Latin America and the Caribbean regions; small island developing states (SIDS); and South Asia.

Overall, projects are evenly distributed across regions, and involve all eligible countries.

8. The focal area has been recognized in several evaluations for the high broader adoption of the policies and practices promoted by its projects (the highest rate among GEF focal areas), for its demonstrated ability to leverage high levels of co-financing, for its stepwise long-term approach to transboundary cooperation, and for its successful knowledge management efforts (notably its focal area support projects, and in particular IW:LEARN), and for the many projects achieving measurable stress reduction impacts. The

focal area has contributed to achievements, some of global renown, in a number of fields: the rehabilitation of the Black Sea Northwest Shelf dead zone, the adoption of the Ballast Water Convention on Alien Species (to enter into force in 2017), the Pacific Tuna Treaty, the Guarani Aquifer Agreement, the establishment of the Benguela Current Commission and demonstration projects that have supported the process leading to the Stockholm and Minamata Conventions, among others.

A Catalyst for Integration

9. IW foundational projects have demonstrated that solutions to water concerns lie not just in improving water supply and treatment, or in protecting aquatic ecosystems and environmental flows, but also—and often primarily—in distant sectors such as food and energy production, trade, land use and urban planning, industrial processes, and forest management. So far, however, attempts to capture and fully develop the huge potentials for improved overall effectiveness of the GEF that are inherent in joining forces of the GEF focal areas toward common objectives, have been limited by obstacles on the road to integration such as the focal area silos, sectoral conventions and difficulties in aligning country priorities with regional objectives. The present emphasis in the GEF toward more integrated actions provides a unique opportunity for focal areas to interact and join forces. There is substantial evaluative evidence that robust programmatic approaches are needed to address complex IW geographies and transboundary settings, where the GEF partnership can develop its potential and bring about optimal results. The IW focal area can provide a valuable context for integration, specifically through the strategic action programs (SAPs) agreed upon by the governments of countries sharing a waterbody, based on the science and systemic approach of transboundary diagnostic analysis (TDA).

10. The protection of the Earth's finite and mostly transboundary water resources requires cooperation among countries and synergetic integrated actions across sectors. On the other hand, access to water in sustainable quantity and quality is essential to achieve many of the SDG goals and targets, to adapt to the impacts of climate change, to achieve energy and food security, to protect soil and forests, and to combat desertification.

Promoting a Collective Response to Global and Regional Agreements

11. While not serving any specific international agreement, the IW focal area has throughout the years provided through its projects important support to global and regional water-related agreements, from global binding conventions, to regional agreements, programs of action, and codes of conduct. The present study has shown that, after the Convention on Biological Diversity and the Law of the Sea, the largest level of support by the IW focal area is dedicated to marine fisheries-related agreements, followed by the Global Program of Action and treaties related to freshwater, SIDS, habitats, and navigation. The importance of this contribution cannot be overestimated. The merits of IW projects reside in the collective nature of the response, with projects supporting compliance to the interlinked provisions of different related treaties and soft guidance—enhancing their effectiveness and mutually reinforcing sectoral agreements—and in channeling compliance efforts to where they are most needed. The focal area is thus a useful example of the present drive toward more integrated guidance from the different sectoral multilateral environmental agreements. Of particular interest to IW in this regard are (1) the synergies with the two IW conventions (1992 and 1997), now both in force, that may open new

opportunities for increased effectiveness and coverage of focal area freshwater interventions; and (2) the process of integration among the three major multilateral environmental agreements, in particular the United Nations Convention to Combat Desertification (UNCCD) and the United Nations Framework Convention on Climate Change (UNFCCC), as exemplified by the adoption of the SDG global indicator on land degradation with its implications for the other conventions, and for water.

2. Areas of Concern

12. The IW portfolio shows a trend of increasing investments in stress reduction, with acceleration in GEF-5, with 52 projects approved, and continuing in GEF-6. This positive trend has been accompanied by a decrease in investments in foundational projects addressing new transboundary waterbodies. One possible explanation is the funding envelope (actual allocations to projects) of the focal area, which, after initial growth beginning in GEF-3, remained between a minimum of \$280 million (GEF-4) and a maximum of \$390 million in GEF-5, with a subsequent decline in real terms. This constraint has been noted in all the overall performance studies of the GEF to date, and all contain recommendations for an expansion of IW funding in view of its high relevance and satisfactory results.

13. A cluster of stand-alone, predominantly national, projects nested within a regional strategic framework constitutes the IW SAPs. Their full implementation will almost without exception require multiple focal area interventions. Food security, energy production, protection of ecosystem services and biodiversity, soil conservation, resilience to climate variability and climate change are all affected by the availability of water resources of sufficient quantity and quality. The opposite is also true. Solutions to transboundary water concerns identified in the SAPs require national actions in multiple dimensions and GEF focal areas. These national actions respond to regional priorities that need to be reconciled with national priorities. The IW focal area, through its ecosystem approach and TDA-SAP consensus-building process, provides countries with the framework needed to direct part of their GEF System of Transparent Allocation of Resources (STAR) funds (in land degradation, climate mitigation and adaptation, and biodiversity), where they are most needed to balance transboundary conflictive water uses, while accruing multiple global environmental benefits and providing a collective response to regional and global environmental agreements.

14. The IW portfolio evolution over time has led to an unbalanced situation between freshwater and marine projects, with a marked prevalence of GEF investments in marine projects, particularly related to fisheries. The number of freshwater projects has instead remained constant since GEF-2, with decreasing investment. In GEF-5 and GEF-6, investments in marine issues were double those in freshwater, with over 50 percent going to fisheries projects. Marine fisheries have now become the object of the largest GEF IW investment of the whole portfolio, with 66 projects and \$466 million in investments. This increase began in 2008, has continued through the GEF-4, GEF-5, and GEF-6 cycles. The reasons for the predominance of marine and fishery projects may lie in the relatively less complex transboundary settings of the marine domain, the short-term economic and social benefits that may be derived from improved ecosystem-based sustainable fishing, and the clear benefits that can be gained in terms of biodiversity conservation. Other factors may also play a role, such as the interest of development banks to engage in this less risky and

more profitable field, or an effort to steer the portfolio toward an oceans focal area. Regardless of the reasons, the dominance of marine and ocean investments may limit the ability of the IW focal area to assist countries in facing the present challenges posed by climatic variability and water scarcity affecting the more vulnerable populations.

15. Fostering cooperation among riparian/littoral countries of shared waterbodies presents a number of hurdles that delay—or even prevent—action. Among them is the important investment of resources that goes into project or program preparation, when an agency has to bring countries together and help them agree to join forces around difficult issues, as is often the case with scarce freshwater in downstream contexts. Not funding the project information form (PIF)/PFD preparation, is a high-risk operation for agencies, particularly when operating in complex transboundary systems. The challenge of having all countries agree on a SAP or even a project document is difficult. It has been observed that setting a time limit of 18 months is not sufficient in relation to what the GEF is trying to achieve, and not all agencies have grant funding to cover the costs of PIF preparation. This lack of flexibility hinders IW work where it would be most needed, such as in areas of freshwater conflict or scarcity, or where upstream/downstream and sovereignty issues are more critical (e.g., Central Asia, South Asia, the Fertile Crescent, and Central America). A change or adjustment in policies would be required, allowing GEF IW projects to work in water conflict areas step by step, including overcoming barriers to cooperation through national projects.

16. There has traditionally been much interest in involving the private sector in IW projects both as a major stakeholder in water resources and as a source of additional funding. The results so far have not been encouraging. IW:LEARN, at its latest conference in Sri Lanka in May 2016, explored ways to further and deepen the relationship between IW-funded projects and the private sector. Changing private sector behavior is the focus of new initiatives in the fisheries sector. According to interviews, efforts are being made to engage with the beverage industry on addressing resource constraints along their supply chains—an issue that most global players have begun to identify as a threat to sustainable long-term investment. Accepting private sector funding is also problematic. The GEF can only receive funding from the private sector as project co financing or in setting up trust funds.

17. All Agency representatives who were interviewed during this study called for greater participation in developing strategies. They maintained that there is a much underutilized capacity in the GEF. The present large number of GEF Agencies, while expanding the experience, know-how, and networks from which to draw inspiration and opportunities for action, challenges the capacity of the system to act in a synergistic way. This is particularly true for IW, a focal area not guided by the priorities of a convention. Lack of Agency participation in the definition of IW strategies may be another reason for the slow, at times perfunctory, response to the strategic directions indicated by the GEF Secretariat.

3. Suggestions for Consideration

18. The study led to the following suggestions for consideration:

- (a) Include an expanded explanation of strategic fit in project concepts, as well as a section illustrating the adherence of the project to existing regional

and global agreements, and its contribution to the implementation of their provisions and to the achievement of the SDGs.

- (b) Apply more flexibility in considering the best ways to create an enabling environment for cooperation in areas of higher water stress or political transboundary tensions. Support should not be denied to those countries willing to cooperate, and a step-by-step approach should be adopted to bring all countries to the table.
- (c) The history and achievements of completed projects, together with the experiences gained and lessons learned from them, should be fully captured in a final report produced by the project team.
- (d) The design of all projects, including those not following the IW TDA-SAP approach, should make an effort to produce science-based baseline conditions and related simple and measurable indicators. The description of the baseline and indicator logic could be part of project concepts, to be detailed quantitatively at project endorsement stage.
- (e) Support and attention should be given to a new generation of Transboundary Diagnostic Analyses that is planned as part of the ongoing phase of IW Learn. The design should adopt a systemic approach and involve multiple focal areas, unravel the water nexus conflicts under climate scenarios, incorporate the social and economic local, national and regional dimensions, and gender equality conditions based on sex disaggregated data.
- (f) Ensure sufficient time and support to build capacity for action on new priority areas. Innovations and improvements in terms of the relevance introduced in IW strategies should either be permanent or be allowed to develop their impacts on the portfolio for an extended period of time beyond the four-year duration of replenishment cycles. Time, and investment in capacity, is needed for countries and agencies to absorb and develop an understanding and ownership of newly introduced practices and fields of action.
- (g) No new themes should be added without a concurrent increase in the focal area allocation. One way to prepare the ground for action on new priority themes in terms of resources and capacity, would be to start by funding a project, possibly of a multifocal area nature, to assess the characteristics, needs, global relevance, and focal area implications of any new priority, and thus provide solid elements for decision making and the planning of resources. A review of GEF IW action on oceans and ice melting would be required based on the findings of the Intergovernmental Panel on Climate Change (IPCC) *Special Report on Climate Change and the Oceans and the Cryosphere* due in 2019.

- (h) Consideration should be given to providing financial support for the preparation of PIFs and PFDs in complex, multi-country contexts such as those characterizing many IW projects, in particular foundational ones.

19. To foster integration within the GEF, and to better coordinate with STAR programming as called for in IW SAPs, the following measures could be considered:

- (a) Invite GEF focal area representatives and the major global conventions to react to proposed IW strategic priorities well in advance of their adoption.
- (b) Introduce in future IW strategies a reference to the points of view of the various conventions and to shared priorities, paving the way for consultations on major IW initiatives at the national level with convention focal points.
- (c) Consider the application of the comprehensive set of SDG indicators of land cover, land productivity, and carbon stocks in IW programmatic approaches as these are being considered for adoption by all three major multilateral environmental agreements.
- (d) Promote dialogue with countries, relevant conventions, focal areas, and donors on the establishment of priority environmental status indicators as part of foundational IW projects. This effort could also be associated with the periodic updating of TDAs.

I. OBJECTIVES, METHODOLOGY, AND CONTEXT

1. Objectives and Methodology

1. Twenty years since the Council of the Global Environment Facility (GEF) established the international waters (IW) focal area and adopted its visionary operational strategy, the Independent Evaluation Office (IEO) of the GEF has undertaken a third study of the IW focal area, following those of 2002 and 2005. The purpose of this study is to provide insights and lessons for the focal area going forward into the next replenishment cycle (GEF-7), based on evidence from an analysis of the IW portfolio of 296 projects and evaluations. The objectives of this study are to:

- (a) Assess the current relevance of the focal area and of its evolving strategies.
- (b) Present a synthesis of IW portfolio distribution and trends—including investments, priority themes, geographic coverage and other relevant aspects.
- (c) Assess the contribution of the focal area to relevant global and regional agreements
- (d) Assess the effectiveness of the IW portfolio of projects in creating the enabling environment for transboundary cooperation, and joint actions.
- (e) Assess the achievements of the focal area portfolio in term of (i) processes, (ii) stress reduction, and (iii) environmental status.
- (f) Assess whether recently approved projects are consistent with the Council-approved strategic directions and, to the extent possible, their likelihood of success in achieving the stated outcomes.
- (g) Identify lessons for GEF-7.

2. The report is organized as follows:

- (a) Evolution of IW focal area strategies
- (b) A synthesis of the major findings of IEO evaluations
- (c) A portfolio analysis
- (d) A review of all available Terminal Evaluations of IW projects, focusing on application of IW indicators, support to global and regional agreements, and final reporting.
- (e) A review of quality at entry for all projects approved by the Council during GEF-6 (until June 2016), with emphasis on adherence to the GEF-6 Strategic Directions.

3. Elements for the study were also collected through interviews with staff of the GEF Secretariat, including management and focal area leads, IW project managers, STAP, GEF Agencies, and other stakeholders external to the GEF system (NGOs, conventions).

2. Evolution of the IW Focal Area Strategies

2.1 The GEF-1, GEF-2, and GEF-3 IW Strategy (1994-2006)

4. The 1995 Operational Strategy for International Waters, adopted through an inter-governmental process, was built on the experience gained during the GEF pilot phase, and its overall goals remains valid. It defined the four major issues of global concern relating to IW on which the focal area action would concentrate:

- (a) Degradation of the quality of transboundary water resources, caused mainly by pollution from land based activities including toxic chemicals,
- (b) The degradation of physical habitats such as wetlands, mangroves, estuaries, and coral reefs, as a result of inadequate land and water management,
- (c) Introduction of non-indigenous species disrupting aquatic ecosystems and causing toxic and human health effects; (iv) over-exploitation of living and nonliving resources, such as overfishing and excessive water withdrawals. The strategy called for integration and coordination among GEF focal areas, and for action on land degradation through integrated land and water management.

5. The IW Strategy adopted a programmatic approach and defined three operational programs, which remained valid throughout the third replenishment cycle of the GEF, that provided detailed guidance for the design of eligible projects: a water body-based program (#8), an integrated land and water multiple focal area program including SIDS (#9), and a contaminant-based program (#10).

6. Given the overarching focal area goal of fostering cooperation among countries sharing a trans-boundary water system, the strategy recommended a simple methodology to create the enabling conditions for, and the foundations of effective cooperation in the management of shared water resources. This methodology, known as the trans-boundary diagnostic analysis-strategic action program (TDA-SAP) process, characterizing IW “foundational” projects, aimed at building trust among countries through joint fact finding, as a prerequisite for concrete commitments to coordinated stress reduction actions. It also included the involvement of inter-ministerial bodies in the priority-setting process.

Implementation Results

7. During its long period of implementation (12 years), the 1995 IW Strategy was able to:
- (a) Establish the TDA-SAP process as the equivalent of the enabling activities of other Convention related focal areas, thus setting the foundations for cooperation in a number of trans-boundary water bodies,
 - (b) Initiate actions to reduce stress as part of the implementation of SAPs in 57

projects,

- (c) Contribute to the negotiation and adoption of the Stockholm Convention on POPs through demonstration projects (17) in its Operational Program 10,
- (d) Trigger and support the process that led to the negotiation and adoption of the Ballast Water Convention on alien species introduction, to enter into force in 2017, and
- (e) Promote successful public-private partnerships, innovative funding modalities and multi project initiatives to address complex stress reduction endeavors, in the fields of coastal zone management, eutrophication and overfishing.

2.2 The GEF-4 IW Strategy and Strategic Programming (2006-10)

8. In December 2006, there was a GEF-wide shift from single project interventions that dominated the overall GEF portfolio (with the exception of several IW supported initiatives) toward a more programmatic focus. The purpose of this shift was twofold: (1) to focus the limited funding resources of GEF-4 (\$3.13 billion) on a set of priority issues of global environmental concern, and (2) to link projects together to achieve stronger impacts.

9. Within this context, the IW focal area—independent from Convention guidance and not subjected to the country allocation system—defined a set of four strategic programs for GEF-4 that would support the achievement of two long-term strategic objectives.

GEF-4 Strategic Long-term Objectives	GEF-4 Strategic programs
1: To foster international, multistate cooperation on priority trans-boundary water concerns	1. Restoring and sustaining coastal and marine fish stocks and associated biological diversity
2: To catalyze trans-boundary action addressing water concerns	2. Reducing nutrient over-enrichment and oxygen depletion from land-based pollution of coastal waters in LMEs consistent with the GPA
	3. Balancing overuse and conflicting uses of water resources in surface and groundwater basins that are trans-boundary in nature
	4. Reducing persistent toxic substances and testing adaptive management of waters with melting ice

10. All GEF-4 strategies adopted for the first time the results framework approach, and indicated specific outcomes for each strategic program, and the relevant indicators.

11. Clearly, GEF-4 IW long-term objectives continued along the path defined by the 1995 operational strategy. There were some differences however, which are worth noting: the focus on IW interventions was narrowed down to more defined areas (e.g., action on land based pollution was in principle limited to main contaminants, such as nutrients); new emphasis was placed on sustainable development aspects, such as freshwater management

and related conflicts among uses, and users; attention of countries was drawn to a new human health and climate related challenge: the melting of ice in high latitudes and altitudes, and the remobilization of persistent toxics. These new features of the IW Strategy were influenced by the outcomes of the 2002 Sustainable Development Summit. They also reflected the growing concerns related to the water resources implications of adaptation to climatic variability and change, the need to find a balance between the growing demand for IW projects, not matched by increasing financial resources,² and the need for addressing new emerging global concerns.

Implementation Results

12. During the four-year duration of the GEF-4, the focal area funded 73 projects, distributed in all programs, with the exception of Program 4 on melting ice. This lack of response to a new priority depended on various factors, which included the short duration of the cycle that did not allow the GEF system to build the capacity necessary to address a totally new area, and the difficulty for countries to recognize the linkages between the melting of glaciers and of permafrost, climate change, human health and development. The portfolio expanded its geographic coverage (embracing, at the end of GEF-4, 149 recipient countries and 23 non-recipient ones) to new trans-boundary water bodies, and progressively moved from foundational work—29 percent of all projects funded during the Cycle—to stress reduction measures related to SAP implementation (51 percent). During GEF-4, the focal area expanded the utilization of the innovative funding modalities tested during the previous cycles, now called “International Waters Partnership Investment Funds.”³

2.3 The GEF-5 IW Strategy (2010-2014)

13. This strategy built on the foundational capacity and stress reduction work accomplished in GEF-3 and GEF-4 and encouraged scaling-up national and local action, particularly under Objectives 1 (freshwater conflicts) and Objective 2 (marine fisheries, coastal degradation and pollution). Following two “precursor” projects funded in GEF-4 on seamounts and ocean life, the strategy for the first time called for action to protect living marine resources in the high seas, or areas beyond national jurisdiction (ABNJ), which were under mounting pressure by modern and highly technological fishing fleets. The strategy also made explicit reference to the need to take into full consideration the present and likely future impacts of climate change and variability on water security, on livelihoods and ecosystem health.

14. The drive toward meeting new IW-related challenges and the call for global attention was clear in the IW 5 Strategy. This growth in the overall scope of the focal area was however not matched by increasing funding, so that adding new fields of intervention was at the detriment of other sometimes more important and better tested areas, in this case Objective 3 (see below).

GEF-5 Strategic Objectives

² The GEF IW focal area was the only focal area to receive a decrease for GEF-4 over GEF-3. The GEF-3 nominal allocation was \$430 million while the GEF-4 amount was of \$355 million.

³ In 2008 the Council introduced a new funding modality called “Programmatic Approaches,” which subsumes IW Strategic Partnerships.

Objective 1	Catalyze multistate cooperation to balance conflicting water uses in trans-boundary surface and groundwater basins while considering climatic variability and change;
Objective 2	Catalyze multistate cooperation to rebuild marine fisheries and reduce pollution of coasts and Large Marine Ecosystems while considering climatic variability and change;
Objective 3	Support foundational capacity building, portfolio learning, and targeted research needs for ecosystem-based, joint management of trans-boundary water systems;
Objective 4	Promote effective management of Marine Areas Beyond National Jurisdiction (ABNJ).

Implementation Results

15. During the implementation period of the Strategy, 73 projects were funded for a total GEF allocation of \$356 million. It is of interest that 29 of these were multi-focal area (MFA) projects, with an IW allocation of \$70 million.⁴ This responded to the call for more integrated approaches made by the GEF Council over time. Major focus of the GEF-5 portfolio was on marine fisheries (Objective 2) with 17 projects and an allocation of \$124 million. In addition, there was an encouraging response to the call for action in the ABNJ, with 5 projects and an allocation of \$30 million. Projects related to marine issues were 32, including fisheries, for an allocation of \$196 million, with respect to 22 freshwater related projects for an allocation of \$108 million, denoting a less than expected response to the priority on freshwater management. A number of new IW and associated MFA multi project initiatives (7), following the newly established funding modality of Programmatic Approaches, were approved by Council, focusing on Objectives 1,2 and 4. Foundational projects (Objective 3) were down to 15 with respect to the 21 of GEF-4.

2.4 The GEF-6 Programming Directions (2014-2018)

16. The Strategy adopted for the IW focal area during the 6th replenishment cycle of the GEF continued along the lines traced by the GEF-5 Strategy. Added emphasis has been placed on water related planetary boundaries and environmental tipping points. A sense of urgency characterizes the background against which the strategy has been developed: freshwater scarcity increasing in most regions with dramatic effects on the poor, growing hypoxia in the oceans driven by land based sources of nutrients, and 30 percent of fish stocks collapsed beyond rehabilitation.

17. The strategy focuses on three major objectives:

- (a) facilitate multi country cooperation in new trans-boundary water bodies;
- (b) step up action in freshwater as part of SAP implementation, focusing on the need to manage water nexus conflicts and promote conjunctive management of all freshwater resources;
- (c) Expand its action in the marine domain by embracing the environmental continuum river basin—coastal zone—marine environment and fisheries.

⁴ Contribution of IW funding to multifocal area projects started in GEF-3 (8 projects), rising to 18 in GEF-4.

Priority on ABNJ was subsumed in this objective 3 (marine).

18. Four points of particular interest distinguish the strategy.

- (a) Funds are nominally envisioned for targeted research projects directed to shed light on “under-researched global threats and looming environmental tipping points” (within Program 1);
- (b) Priority is again placed on high altitude/latitude ice melting (Program 2);
- (c) As part of IW action on fresh water, the strategy recognizes the need to invest in regional and national data and decision support systems, and tools and measures to assess climate impacts on recharge areas, storage capacity, (Program 3).
- (d) For the first time, gender consideration is identified as a strategic priority in IW, in line with the newly established Gender Policy of the GEF, to ensure that gender perspective is successfully incorporated into IW project design.

Focal Area Objectives	Programs
IW 1 Catalyze sustainable management of trans-boundary water systems by supporting multistate cooperation through foundational capacity building, targeted research, and portfolio learning.	PROGRAM 1: Foster cooperation for sustainable use of trans-boundary water systems and economic growth. PROGRAM 2 Increase resilience and flow of ecosystem services in the context of melting high altitude glaciers
IW 2 Catalyze investments to balance competing water uses in the management of trans-boundary surface and groundwater and enhance multistate cooperation	program 3 advance conjunctive management of surface and groundwater program 4 water/food/energy/ecosystem security nexus
IW 3 Enhance multistate cooperation & catalyze investments to foster sustainable fisheries, restore and protect coastal habitats, reduce pollution of coasts and LMEs	PROGRAM 5 Reduce Ocean Hypoxia PROGRAM 6 Prevent loss and degradation of coastal habitats PROGRAM 7 Foster sustainable fisheries

Highlights of Implementation

19. GEF-6 is at mid-course, and special attention is being given in this study to projects approved under the IW GEF-6 strategy until June 2016. So far, 18 projects or programs, for a total allocation of \$112 million, have been approved by the Council. Two multifocal programmatic approaches dealing with coastal fisheries/biodiversity with substantial IW funding (\$33 million), and contributions from biodiversity (\$13 million) have been approved, marking a move toward ever closer links between IW and biodiversity in fisheries related interventions.

2.5 *The GEF-6 IW focal area strategy and the Sustainable Development Goals*

20. The Sustainable Development Goals and Targets, recently approved by the UN General Assembly in September 2015, represent an overarching framework providing guidance and common objectives to all, from individuals to countries and international organizations. The GEF-6 IW Strategy, which focuses on trans-boundary cooperation (IW1), on sustaining quality and quantity of freshwater resources and ecosystems (IW2) and on sustainable marine fisheries, preventing coastal degradation and on the fight against ocean hypoxia (IW3), with new attention to gender consideration in water supply and management, is well in line with SDG guidance. Water is a fundamental prerequisite to human life on planet earth and 60 percent of it is trans-boundary. Hence, water runs across the SDG targets and limiting its significance to SDG 6 and 14—while obvious—would be a limited view. Most prominently, the focal area provides support to the achievement of a number of targets related to Goals 6 on freshwater, 2 on food security, and 7 on energy security; and addresses key nexus dimensions—Goal 13 on climate change adaptation and Goal 14 on marine resources.

21. The foundations established for the IW focal area by the 1995 Operational Strategy have continued to inform the action of the focal area throughout the GEF-4, GEF-5, and GEF-6 replenishment cycles. The focal area strategies were able to evolve and embrace changing global priorities, and expand the focal area action to address environmental threats to sustainable development. The GEF6 focal area strategy is consistent with the SDG guidance, and provides support to the achievement of the SDGs and specific targets across the range of the SDGs.

II. FINDINGS

22. This section presents

- (a) a review of pre-existing evaluations,
- (b) an analysis of the portfolio and project findings from terminal evaluations,
- (c) a quality at entry review of GEF-6 IW investments,
- (d) interviews,
- (e) remote sensing analysis.

1. Review of Existing Evaluative Evidence

23. This review summarizes the major findings and conclusions of previous evaluations conducted by the Independent Evaluation Office of the GEF covering the period 2006-16: the Fourth and Fifth Overall Performance Evaluations (OPS4 and OPS5, in 2010 and 2014, respectively), GEF annual performance reports (APRs), and the GEF Annual Impact Reports (AIR). The review focuses on the evidence-based conclusions reached by previous evaluations regarding two themes of priority interest for the current study:

- (a) Results in terms of processes, stress reduction and environmental status change⁵
- (b) Continuing relevance of the focal area to global environmental problems and key trans-boundary issues, and to GEF-6 programming directions.

1.1 *The 2005 IW Study and OPS3 (2006)*

24. The study was aimed at providing inputs to the 3rd Overall Performance Evaluation of the GEF. It took into consideration 95 projects approved by the Council since the 2001 IW study. The study concluded that there was clear evidence that the IW focal area was contributing to the enhancement of regional security, and represented the “largest effort in history to support sustainable use and protection of trans-boundary waters.”⁶ The evaluation highlighted the role of the focal area as being a major facilitator in supporting global and regional agreements. One recommendation valid today is the need for robust

⁵ Monitoring and evaluation Indicators for GEF International Waters Projects, Working Paper 10 2002

⁶ In support of this conclusion, the study highlighted a number of achievements, particularly concentrated on processes. The focal area had facilitated the establishment of a number of new international policy tools as a result of foundational or demonstration projects: the legal regime for avoiding the transfer of alien species in ship’s ballast water, which evolved into the Ballast Water Convention that will enter into force in 2017; the Caspian Sea Convention; the Dnipro Basin Agreement; the Protocol for Sustainable Development of the Lake Victoria Basin; the Lake Ohrid Treaty; the Pacific Tuna Treaty, the first under the 1995 UN Fish Stocks Agreement. The 2005 study also reports on evidences of stress reduction in Lake Victoria where a measurable reduction of the invasive alien water hyacinth occurred as a consequence of an IW intervention, and brought about an improvement of the lake’s environmental status. In a portfolio then dominated by foundational projects, attention was given to assess the effectiveness of the TDA-SAP process and methodology. The conclusion was that “projects combining TDA/SAP activities are most likely to succeed” in particular mentioning the importance of the stakeholder participation required by the process. The implementation of SAPs was limited to few cases, to one of which the study devoted much attention also because of the innovative financing modality adopted: the Black Sea and Danube Strategic Partnership, the precursor of the present GEF Programmatic Approaches, aimed at preventing the return of devastating eutrophication to the Black Sea during the economic recovery of the Basin’s countries. The study documents the effectiveness of this modality, and reports of a number of successful demonstrations implemented during the first phase of the initiative, dealing with agricultural nutrients pollution, wetland restoration and wastewater treatment “incremental to national development initiatives,” with the notable example of Romania’s agricultural countryside reform.

indicators of environmental and socioeconomic status, stress reduction, and process.

25. OPS3 agreed with the findings and conclusions of the study, concluding that the IW portfolio was a well-managed portfolio of interventions and was increasingly successful at leveraging collateral funding. It noted that this focal area provided a unique mechanism for improving trans-boundary environmental problems in continental and coastal waters and the global marine commons. The only recommendation for IW of OPS3 encouraged the shift from enabling activities (foundational projects) to scaling up of full operations to address agreed priorities for globally critical trans-boundary water systems.”⁷

1.2 OPS4 (2010): Progress toward Impact

26. OPS4 made the case for the need for increased support to allow the focal area to step up its action to a higher level of goals and funding and to move from foundation, to demonstration, to catalyzing investments, reiterating the call made by OPS3. OPS4 frequently pointed to the IW strategy and its stepwise modus operandi and catalytic role, marked by increasing levels of commitment by both countries and the GEF, as exemplary for other focal areas. OPS4 placed emphasis on the environmental threats that continued to put at risk development and social progress and stability, and the increasing relevance of the focal area.

27. The evidence of the impacts achieved by the focal area was clear. However, the lack of solid baseline information at the water body level to measure impacts and identify trends often impeded the ability to monitor progress toward impacts. OPS4 reiterated the recommendation already made by OPS3 on the need for stronger baseline and indicator frameworks, indicating the water body as the right context for such frameworks. The phased approach of the IW focal area requires a long-term commitment from the GEF and the tracking system would need to be adapted to capture this longer term perspective.

28. Overall, OPS4 recognized the focal area for its strategy and stepwise approach, for its achievements as far as processes and stress reduction, and confirmed its relevance under the changing global context. It noted the need to improve the focal area ability to measure progress to impact by establishing solid baselines and taking a long-term perspective to monitoring.

1.3 OPS5 (2014): At the Crossroads for Higher Impact

29. OPS5 reported that the IW focal area had a strong focus on bottom-up approach, and that country needs and demands represented the most important sources of guidance for activities under the focal area.

30. Overall, IW projects had the highest percentage of projects with successful catalytic impacts (73 percent), followed by climate change projects (66 percent), and biodiversity projects. This was primarily due to the uptake and mainstreaming of policies promoted by IW projects. OPS5 mentioned the exemplary case of the Guarani Aquifer project.

⁷ The successes of the focal area during GEF-3, reported with much praise by OPS3, did not however prevent the decrease of the IW nominal allocation for GEF-4.

31. Fifty-one percent of the projects in the IW cluster were reported to have reduced stresses on the water environment and/or improved the environmental status. Environmental impact was most often seen at the site level, where projects reduced fishing pressure, reduced nutrient pollution from innovative water treatment plants, increased mangrove and coral reef cover, replenished water supply from improved water use management, and established management capacities in marine protected areas.

32. The IW focal area was recognized as an active player directly involved in creating new regional legal agreements and frameworks. OPS5 noted that GEF IW during GEF-5 provided direct support to 8 of the 18 regional seas conventions, 6 shared inland water agreements, and 5 regional fisheries commissions.

33. The efforts made by the focal area in the field of learning, in particular IW-Learn, received a special recognition by OPS5. It has fostered knowledge generation and systematic exchange among projects and partners aimed at improving project performance. Additionally, OPS5 noted the central role of the scientific community in providing guidance to GEF IW focal areas activities, as well as the contribution of the IW focal area to scientific advancements, particularly recognizing the analytical and foundational support provided through the Trans-boundary Diagnostic Analyses, a component of the TDA-SAP approach.

34. Overall, OPS5 reported a general appreciation for the focal area strategy, *modus operandi*, achievements and knowledge and learning.

1.4 The South China Sea Impact Evaluation

35. This evaluation using a systems approach, found that while environmental pressures in the South China Sea (SCS) continue to increase, GEF support to the area has been relevant in addressing regional trans-boundary issues. It has contributed to reducing environmental stress in the majority of cases,⁸ as well as to improving or maintaining socioeconomic conditions in places where initiatives were implemented. Furthermore, the evaluation found that the broader adoption of these successful initiatives has begun to take place. The SCS evaluation brings substantial evidence to the fact that “robust programmatic approaches” are needed to address complex IW geographies and trans-boundary settings, where the GEF partnership can develop its potential and bring about optimal results. Long-term monitoring impacts and final reporting of projects remain issues requiring additional attention.

⁸ The evaluation identified 20 sites in the SCS with a total 40 cases of stress reduction, mostly related to habitats.

2. Analysis of the IW Portfolio

36. The IW portfolio as of June 30, 2016, comprises 296 projects and programs.⁹ For the purposes of the study, it has been organized in a number of categories aimed at facilitating the analysis of portfolio trends and of project's distribution according to different parameters and aspects. An element of subjectivity is implicit in the assigning of projects to some of the categories. For each project/program in the portfolio the following information has been listed:

GEF ID		
Title		
Program ID	GEF ID of related Parent: Standalone:	For each project program-related (child projects) For projects not program-related
Program status	Indicating all endorsed "child" projects	
Focal area	IW MFA: Multifocal area	MFA projects only include projects with IW components
Project status	Ongoing Completed Pipeline	The status is reported based on PMIS data (June 2016). The pipeline projects are those that have been approved, but the implementation have not started yet
GEF phase	Pilot phase, GEF-1, GEF.2, GEF-3, GEF-4, GEF-5, GEF-6	
FY of project approval	For FSPs: Fiscal Year of Council approval; for MSPs: Fiscal Year of CEO approval	
Type	FSP: Full-size projects MSP: Medium-size projects	
Project goal	F: foundational; SR: stress reduction and demonstration;; FS: focal area support, research, and knowledge management projects	There is a minimal overlap between categories: two projects (GEF ID 1164 and 1188) are marked as both foundational and stress reduction projects
Name of associated waterbody		When applicable
Waterbody and SIDS	LME: large marine ecosystem ABNJ: areas beyond national jurisdiction RB: river basin LB: lake basin GW: ground water, aquifer CST: coastal zone SIDS: small island developing states INTEGRATED: projects having a "Ridge to Reef" or "Source to Sea" approach Glaciers	Projects may relate to more than one water body. Main water body listed first.
Marine projects	Including projects addressing LMEs, ABNJ	

⁹ This number, accurate as of June 28, 2016, does not include 9 canceled projects. The portfolio includes IW projects and MFA projects with IW components that have reached at least the approval stage by June 28, 2016. The portfolio does not include the Small Grants Programme (SGP); the SGP overview is presented separately. To avoid double counting, the portfolio excludes 15 programs (i.e., "parent" projects that already have "child" projects in the portfolio).

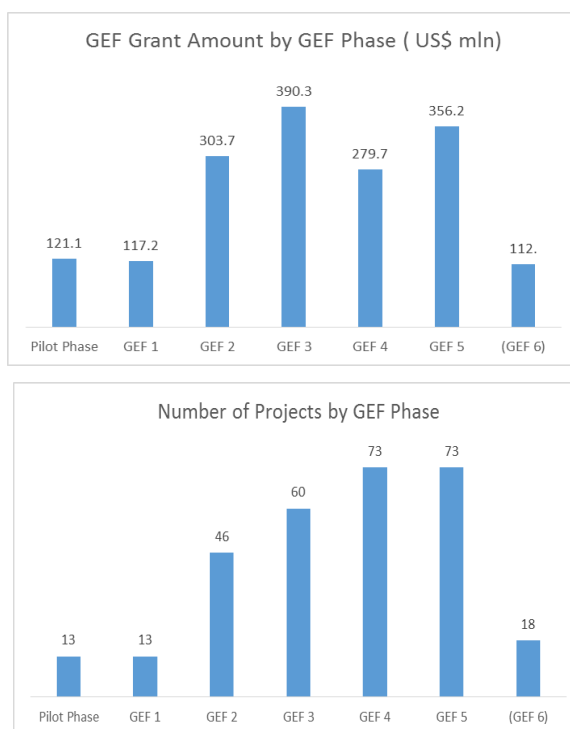
Freshwater projects	Including projects addressing River Basins, Lake Basins and Aquifers	
Focus Theme	AL: alien species BWU: balancing of water uses CL: clean industrial production CM: conjunctive management of surface and groundwater FI: fisheries HB: habitats ICZM: integrated coastal zone management ILBM: integrated lake basin management IWRM: integrated water resources management LBS: land based sources of pollution LD: land degradation N: navigation safety and hazards NP: nutrients removal/management PTS: persistent toxic substances	Projects may have more than one focus theme.
Related binding instrument or soft law or program of action	1992 UNECE Water Convention 1997 UN Convention on the non-navigational uses of international watercourses UNGA (United Nations General Assembly) Resolution (66/104) on the Law of trans-boundary aquifers FAO Code of conduct for responsible fisheries GPA: Global Program of Action on land-based sources of marine pollution Barbados Program of Action on SIDS Ramsar Convention on Wetlands MARPOL 73/78 UN Agreement on straddling and highly migratory fish stocks Port State Measures Agreement UNEP Regional Seas Conventions Ballast Water Agreement	The three major environmental conventions (CBD, UNFCCC, UNCCD), and the UN Law of the Sea have not been listed since the large majority of IW projects supports the objectives of the three major MEAs, while all marine projects promote compliance with provisions of the Law of the Sea. The IW focal area has been a precursor of both the Stockholm and the Minamata Conventions: its projects related to POPs and Mercury were all funded before the entry into force of the two Conventions, and the establishment of the GEF as their financial mechanism.
Region	AFR: Africa ASIA ECA: Europe and Central Asia LAC: Latin America and Caribbean	Based on GEF definition of regions (as available in PMIS)
Geographic scope	Global, National, Regional	
Participating Countries		
GEF Agency		
GEF Grant	Million \$	Includes PPG and GEF Amount; for MFA projects: includes only IW amount in GEF Amount and weighted PPG (weights are using percentage of IW amount in GEF amount)
Cofinancing	Million \$	For MFA projects includes only weighted cofinancing (using percentage of IW financing in GEF amount)

2.1 Overview

37. The GEF Trust Fund has been the only source of grants in the IW focal area.¹⁰ Starting in 1991, and as of June 28, 2016, the focal area had invested total funding of \$1.68 billion in grants to 296 project and programs, and leveraged a total of \$10.38 billion of co-financing from other sources, with an average ratio of \$6.20 of co-financing for one GEF dollar.

The IW Portfolio by Replenishment Cycle

38. The IW focal area has been growing steadily until GEF-3, with the number of approved projects increasing from 13 to 60, and investments from \$120 m to \$390 million (below the nominal allocation for IW of \$430 million). During the GEF-4 cycle the number of projects increased only slightly, to 73, while investments went down to \$280 million, below the nominal allocation for the focal area (\$335m). In GEF-5 the number of approved projects remained the same as in GEF-4 (73) while the total investment grew to \$356 million, again below the nominal allocation of \$440 million. In GEF-6 the total allocation for IW was \$456 million, of which \$112 million was programmed as of June 2016.¹¹

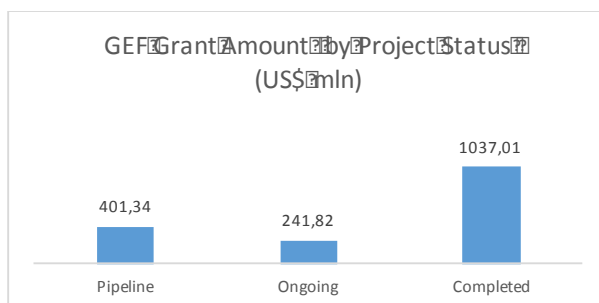
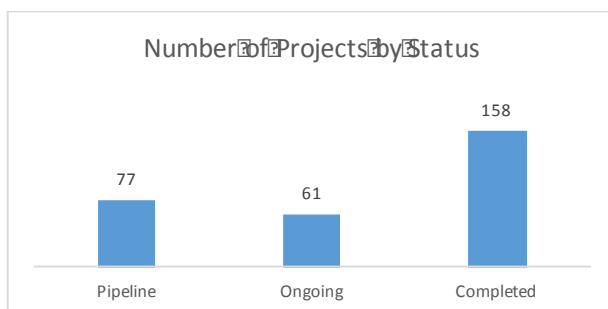


The IW Portfolio by Project Status

39. As of June 2016, 158 projects were completed, for a total investment of over \$1 billion, 77 were approved but not yet effective, and 61 were under implementation.

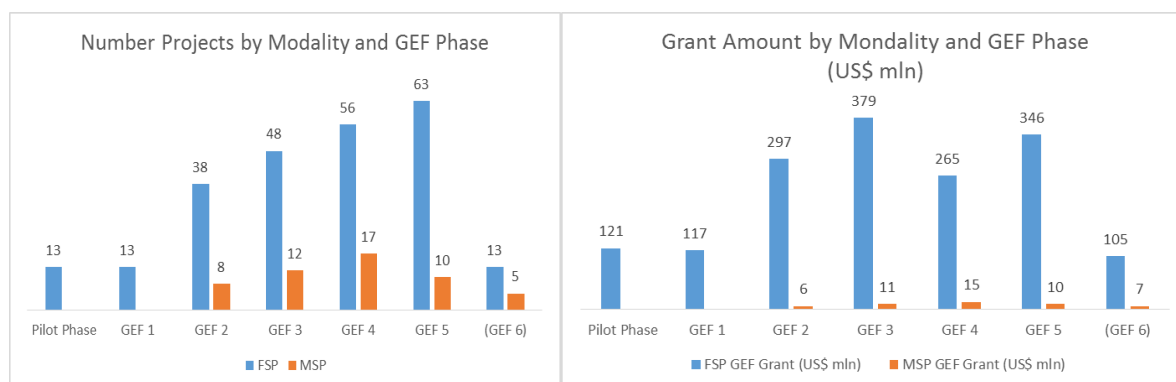
¹⁰ There are some programs with LDCF.

¹¹ The graphs show GEF-6 in brackets to stress that, at the time of this study, GEF-6 was not complete.



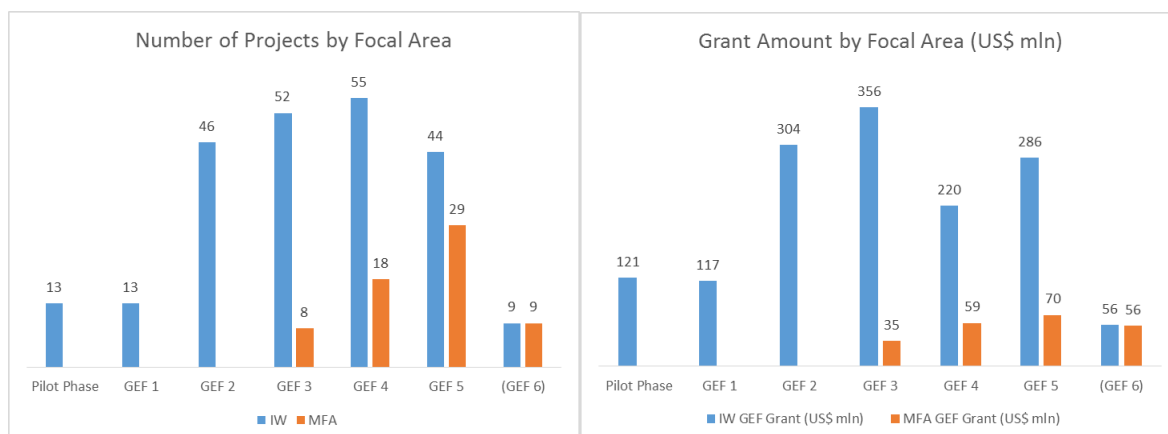
The IW Portfolio by Project Type

40. Throughout all GEF cycles there were 244 full-size projects (FSPs), 52 medium-size projects (MSPs), with investments in FSPs reaching \$1.63 billion, and \$50 million in MSPs.



The IW Portfolio by Focal Area

41. It is interesting to note the rapid growth of MFA projects with IW components, both in numbers and in investment, beginning in GEF-3. During the first half of GEF-6, the number of multifocal projects with IW components is equal to the number of IW focal area projects.

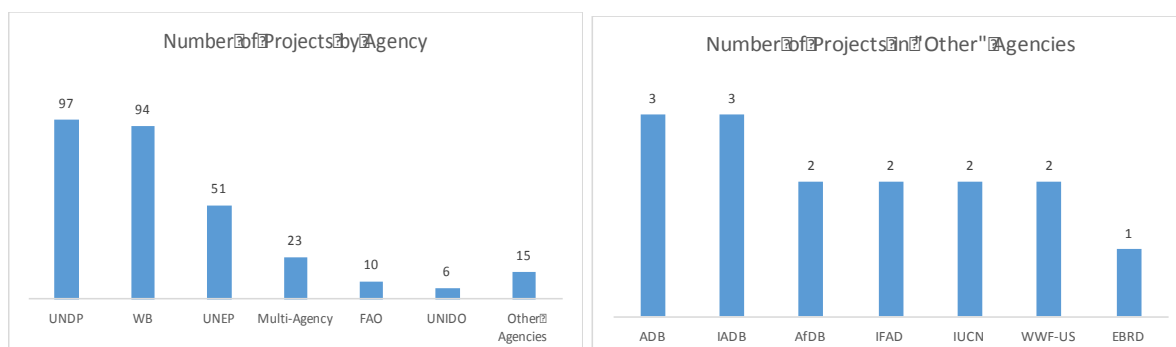


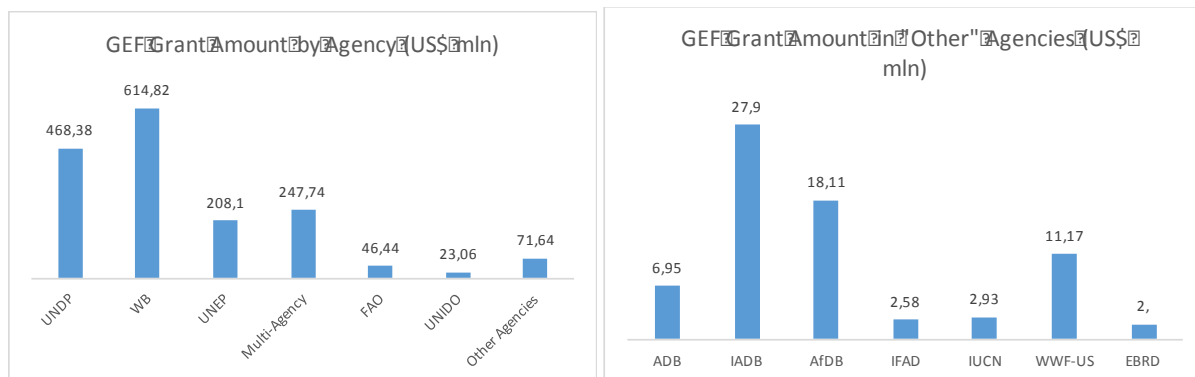
42. As more responsibilities vis a vis new conventions were taken over by the GEF, not matched by adequate increases in resources, funding constraints might have affected the IW focal area. In fact, IW nominal allocations and investments increased until GEF-3 (2002–06), while GEF-4 marked the historic minimum, with investments down to \$280 million. At midcourse in GEF-6, investments are at \$112 million. It is recognized that IW transboundary projects are complex and take time to develop.

The focal area responded well to the priority placed by the Council on integrated, multifocal area initiatives, with a growing number of projects and investments.

2.2 The Role of Agencies

43. The three initial Agencies of the GEF Partnership continue to lead in terms of the number of projects and of funding, followed at a distance by FAO and UNIDO. All other agencies account for only 15 projects, and \$72 million in funding. The newer Agencies continue in a “learning stage,” and are in the process of identifying their comparative advantage in the Partnership.





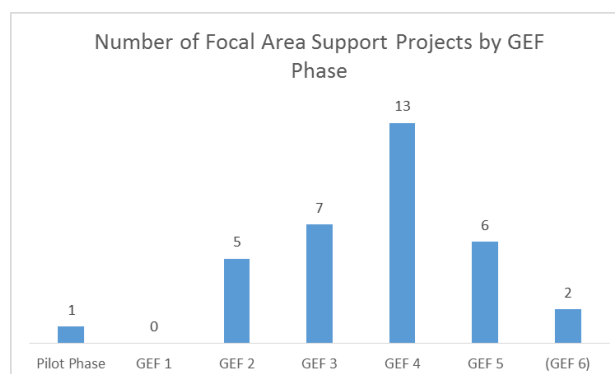
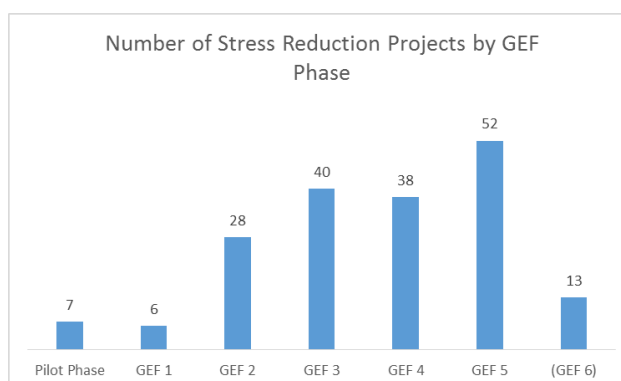
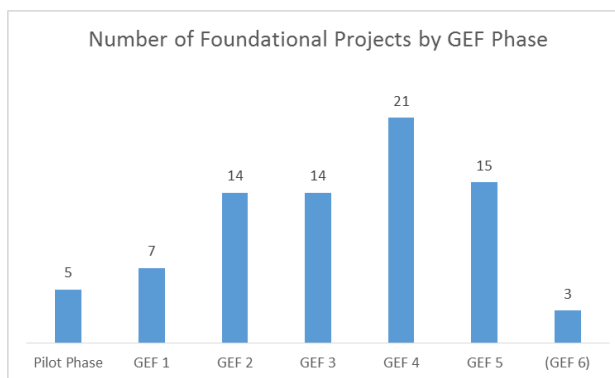
44. The World Bank, while still ahead in total funding (\$614 million), has decreased its commitment to the focal area in terms of number of projects, down to 15 in GEF-5 (they were 32 in GEF-3), with funding progressively down to \$31.8 million in GEF-5, from \$217 million in GEF-3.

2.3 Distribution by Goal

45. IW projects and programs are essentially directed to the following overall goals:

- (a) Setting the foundation for action in trans-boundary water bodies by creating the enabling conditions for multi-country cooperation around agreed priorities (foundational projects);
- (b) Reducing the trans-boundary stresses to water resources and aquatic ecosystems as part of the systematic implementation of action programs agreed among the countries sharing the water body (stress reduction projects); this also includes projects demonstrating the stress reduction effectiveness of new technologies and behaviors;
- (c) Supporting the focal area effectiveness through portfolio learning, knowledge management and global and regional assessments. (Focal area support projects); we also include in this category scientific research in new emerging areas of concern, with limited funding (Research projects)¹².

¹² Investments in the closely related goals of research and focal area support are characteristic of the focal area, which does not receive guidance from any specific convention, and have produced a stream of projects starting from the pilot phase and totaling 34 projects as of June 2016.



The two first Goals are interlinked in a stepwise long-term approach adopted by the focal area to bring beneficiary countries from science based trust building, to priority setting, to preventive/remedial actions on the ground. This approach is reflected in the portfolio, showing a growing number of stress reduction (SR) projects as the portfolio matures. It should be noted that foundational projects are inherently complex to develop.

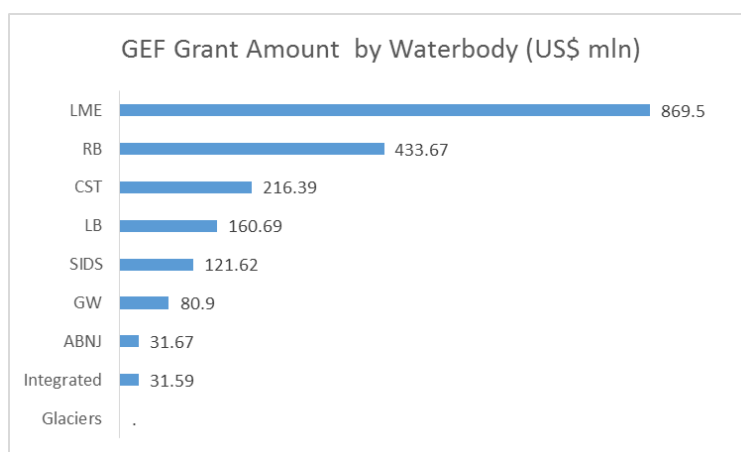
2.4 Distribution by Water Body

46. The action of the focal area develops throughout the environmental continuum watersheds/aquifers–estuaries–coastal zone–marine waters, and addresses this complex system in two ways:

- (a) Operating by water body—i.e., by the various segments of the hydrologic cycle and their dependent ecosystems and living resources: river basin, aquifer, coastal waters, marine and oceanic waters; the bulk of the IW portfolio falls into this domain.

- (b) Recognizing the interlinked nature of water ecosystems, and operating in an integrated way following the so-called ridge-to-reef or source-to-sea approaches, when practically feasible. There are 13 such integrated projects.

47. Projects addressing marine waters and their living resources dominate the portfolio (large marine ecosystems, 135 projects) with a total investment of \$869.5 million. The prevalence of marine projects in the portfolio started early on, with GEF-3, and continues to this day (GEF-6). River basins follow, with funding totaling \$433.7 million for 79 projects. Notable are the low investments in groundwater (\$81 million), and the lack of response to the call for action on glaciers made in GEF-4, and reiterated in GEF-6.



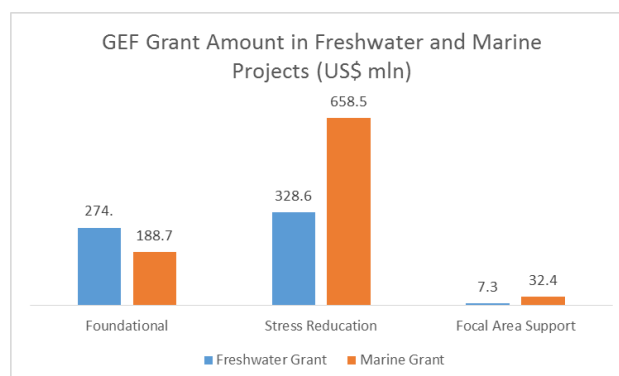
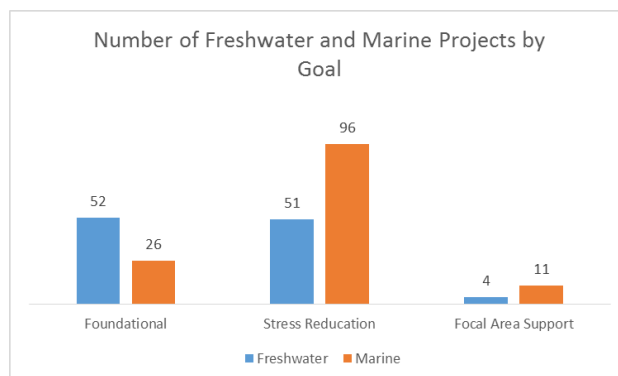
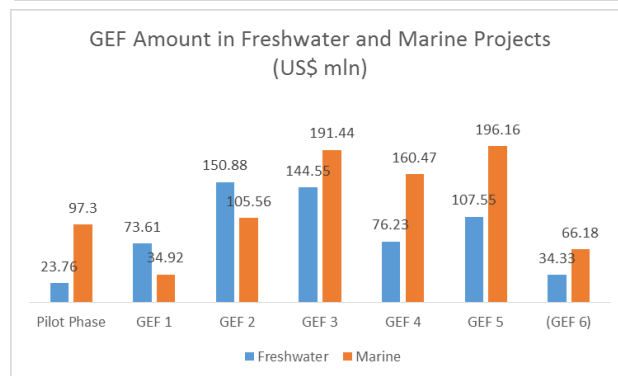
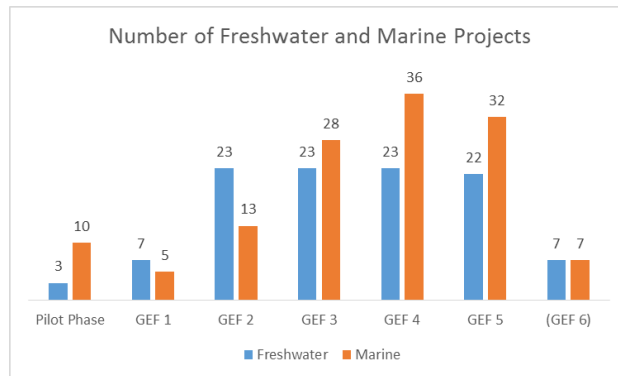
48. The focal area has facilitated cooperation over trans-boundary water issues in the majority of the large marine ecosystems of the planet and is now moving its investments toward stress reduction particularly in fisheries related concerns, and in reducing hypoxia due to excess nutrients. In these fields, it has achieved substantial results by facilitating regional and even global binding agreements (fisheries and alien species), and in reducing stresses caused by eutrophication and overfishing in a number of LMEs. Of concern is the slow or absent growth of projects addressing trans-boundary surface and groundwater resources. This is likely due to the contentious nature of freshwater nationally and, especially, internationally, where sovereignty issues and downstream implications are significant. A reason for additional concern is also the weakness of the portfolio in groundwater.¹³

2.5 Freshwater and Marine Projects

49. An attempt was made to lump together into two groups all projects dealing with freshwater and all those related to marine issues. The results further confirm the marked imbalance of the portfolio with respect to these two overarching categories, showing a skew toward marine ecosystems and related environmental concerns. This imbalance, more than

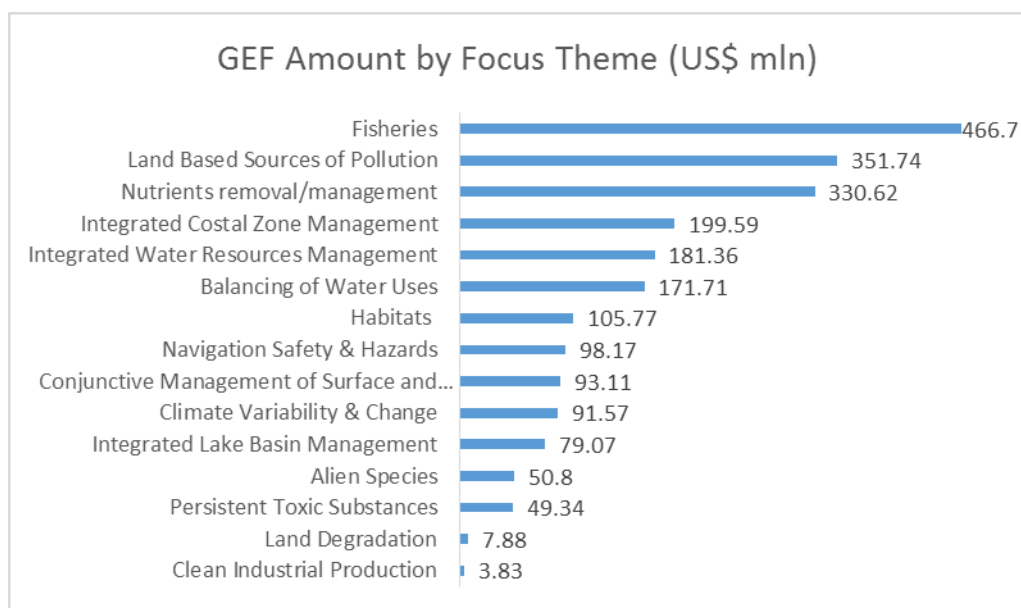
¹³ The GEF is working on advancing the sound management of shared surface water resources through 34 trans-boundary river basins projects. Within the context of sustainable use of aquifers, the GEF and its partners continue to call for countries to step-up action on improved governance and sustainable management of national and trans-boundary aquifers. Efforts are continuing and progress will depend on an increased understanding of this resource as a vital ingredient in long-term nexus planning and as a climate change buffer resource.

the result of a deliberate strategic decision, seems to instead be the consequence of a spontaneous growth of the portfolio in directions where the interests of countries and of agencies coincided, and where trans-boundary tensions were less severe. The marine cluster shows a strong prevalence of stress reduction projects. IW: Learn has recently increased its capacity to support the freshwater community.



2.6 Distribution of Projects by Focus Theme

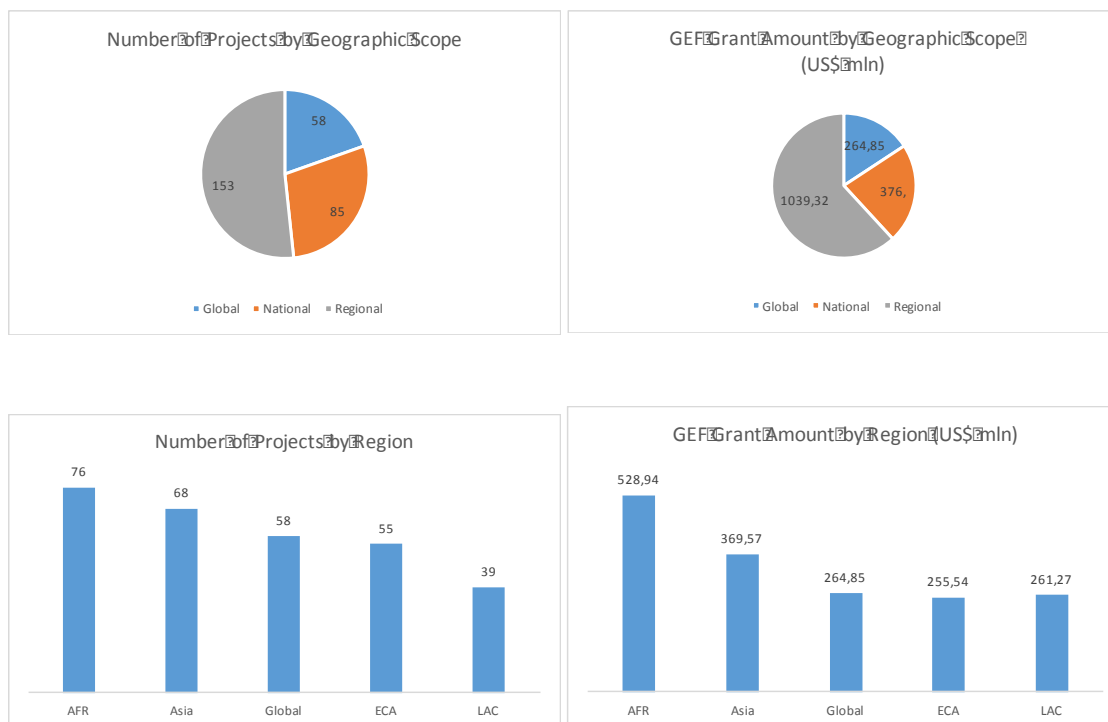
50. The majority of IW projects, including foundational and focal area support ones, can be categorized according to the primary typology of the issues the projects intended to address. These include pollution from land based sources, navigational hazards or freshwater management and others. Consistent with the particular strength of the marine portfolio, marine related themes make up almost half of the IW portfolio (131 projects and \$852 million), with fisheries being the most active field of intervention, and steadily growing since GEF-3.



51. The analysis of the main focus themes of IW projects confirms the prevalence of marine related issues, with fisheries by far the most subscribed theme, dominating the GEF-5 portfolio. Pollution from LBS and nutrients are on a decreasing trend, as the Black Sea and East Asian Seas Strategic Partnerships are nearing completion. Least subscribed are clean production, alien species, land degradation and navigation. However, there was evidence of broader adoption of policies promoted by three projects on the prevention of alien species introduction; the ground breaking experimentation on precision navigation (the Marine Electronic Highway tested in the Malacca Straits) was notable; and the 11 projects on Persistent Toxic Substances—POPs and mercury, which facilitated the negotiations for the Stockholm and Minamata Conventions.

2.7 Geographic Scope and Distribution of IW Projects

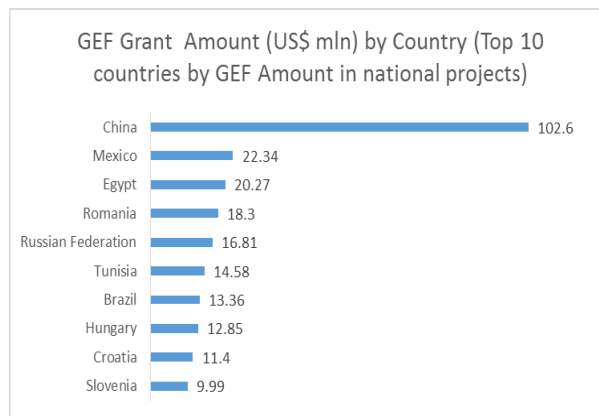
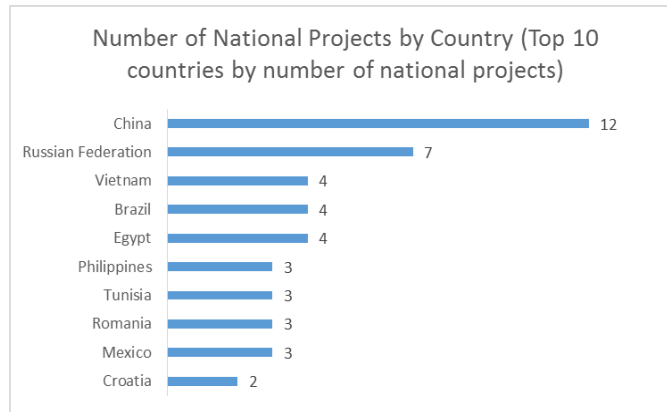
52. IW projects develop at three geographical levels: global—mostly projects falling into the category of focal area support; regional—the bulk of foundational projects and part of SAP implementation stress reduction projects; national—stress reduction projects part of SAP implementation, including demonstrations projects. Regional projects represent the large majority of IW investments, showing a well-balanced distribution among regions, with a priority on Africa.



53. The growth of GEF MFA investments is a response to the growing recognition in the GEF system of need to address the multiple drivers of change, and the inter-linkages across sectors in the environmental continuum, by fostering integration and synergies across focal areas.¹⁴ Forty-nine percent of MFA projects are national, 27 percent deal with coastal fisheries, with similar percentages in LMEs and river basins.¹⁵

¹⁴ The STAP underscored that the GEF would be able to achieve transformational outcomes only by breaking away from single technology and/or single sector approaches toward a focus on systemic approaches. (Enhancing the GEF's Contribution to Sustainable Development, STAP).

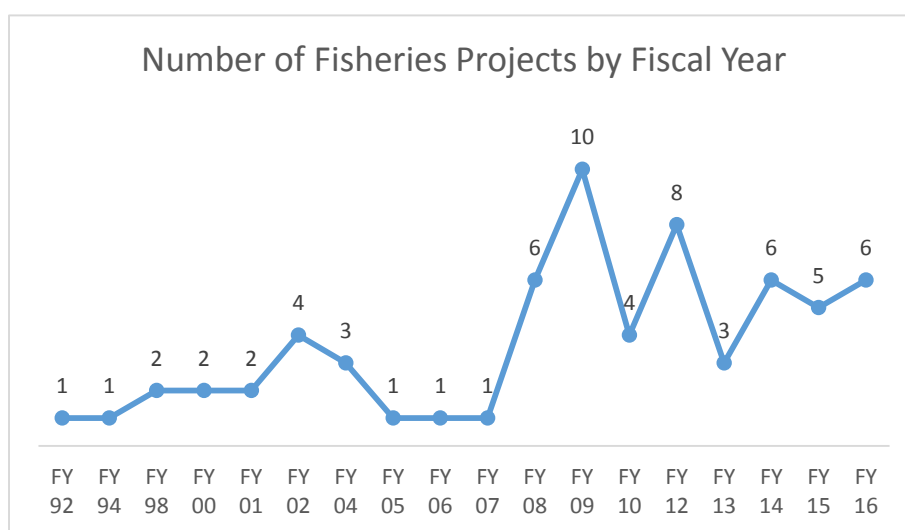
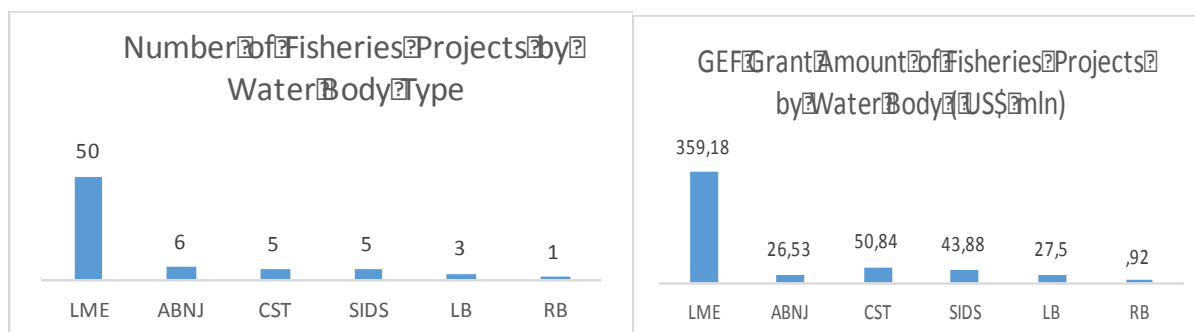
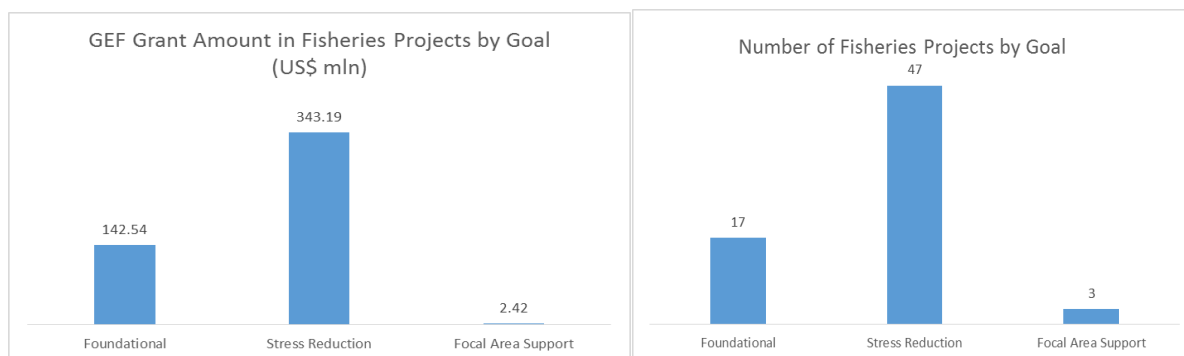
¹⁵ Total number of national projects is 85 with a total funding of \$376 million.



2.8 Fisheries Projects

54. After a slow start in the period from the pilot phase to GEF-2, the portfolio on fisheries had a strong growth in the following period, becoming the most subscribed theme in the portfolio, with 66 projects, and investments for \$467 million (28 percent of total IW investments) which leveraged an important co-financing (\$2.4 billion).

55. This large effort aims at reversing alarming trends of increasing overfishing and destruction of marine biodiversity, with many continental shelf fisheries already beyond recovery, and increasing pressure on oceanic living resources (ABNJ). GEF has now become a major world player in protecting marine biodiversity and spearheading responsible fisheries. This crucial contribution of the IW focal area to marine biodiversity conservation deserves recognition, particularly for its ability to address the fisheries depletion issues at all levels while taking into consideration the trans-boundary nature of most pelagic living marine resources and their ecosystems. Synergies with the biodiversity focal area are emerging in the portfolio, with two multifocal area programs dealing with coastal fisheries at the national level approved in GEF-6. The bulk of the action on fisheries has been on stress reduction with focus on African and East Asian LMEs, accounting for 56 percent of the fisheries projects. The number of projects dealing with freshwater fisheries is low (6 percent). The special attention given to the critical theme of fisheries in SIDS has attained important results, particularly in the Pacific Warm Pool SIDS cluster. The agreement on the Pacific Tuna Treaty brought about important environmental as well as social and economic benefits to the islands.



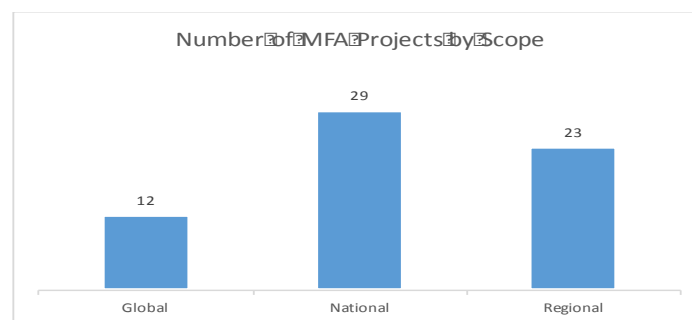
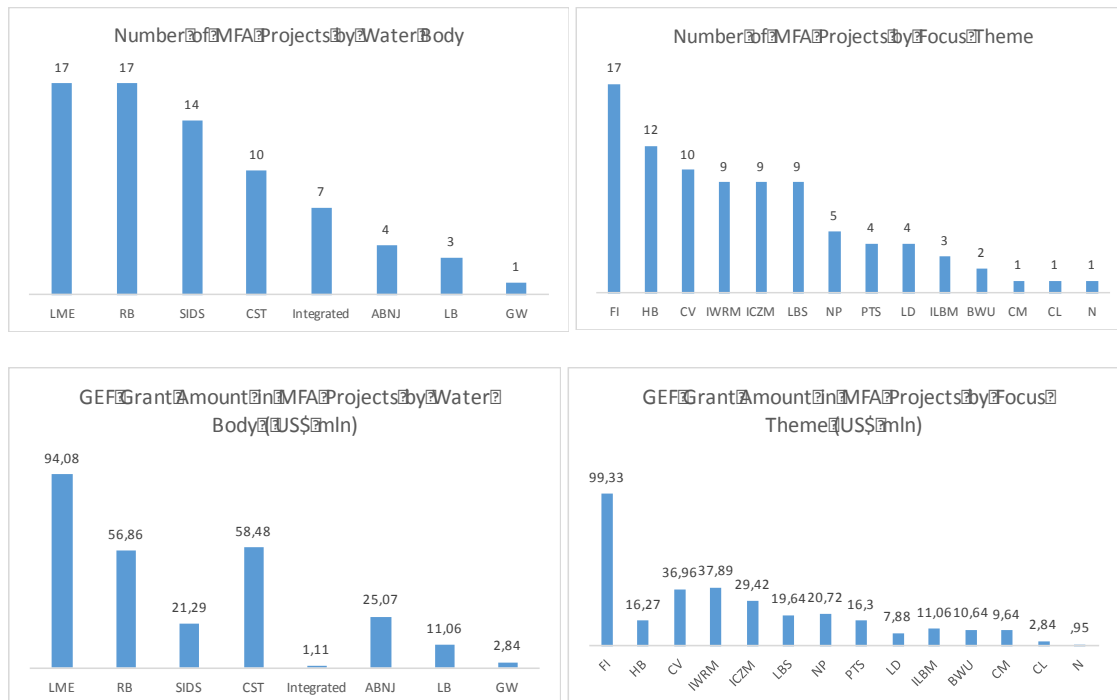
2.9 Multifocal Area Projects

56. IW projects adopting a multifocal area approach are growing in numbers, and in GEF investments. Of the 64 MFA projects/programs so far approved, 50 percent belong to programs.

MFA Projects by GEF Phase

GEF Phase	No. of Projects	GEF Grant (million \$)	Cofinancing (million \$)
GEF-3	8	34.55	141.41
GEF-4	18	59.39	419.47
GEF-5	29	70.34	660.37
GEF-6	9	55.68	364.87
Total	64	219.96	1586.12

57. The distribution across water bodies and themes shows a slightly more balanced distribution, in terms of the number of projects, between marine and freshwater initiatives with respect to the whole IW portfolio, while in terms of GEF funding there is again a clear prevalence of the marine domain and of fisheries. This prevalence emerged primarily in GEF-5.



58. The growth of GEF MFA investments is a response to the growing recognition of the need to address the multiple drivers of change, and the inter-linkages across sectors in the environmental continuum, by fostering integration and synergies across focal areas.¹⁶ Twenty-seven percent of the MFA projects are in coastal fisheries, with similar percentages in LMEs and river basins.

59. It has to be noted however that the GEF “does not presently have a defined concept that outlines the rationale, components, outcomes etc. for what constitutes a major fraction

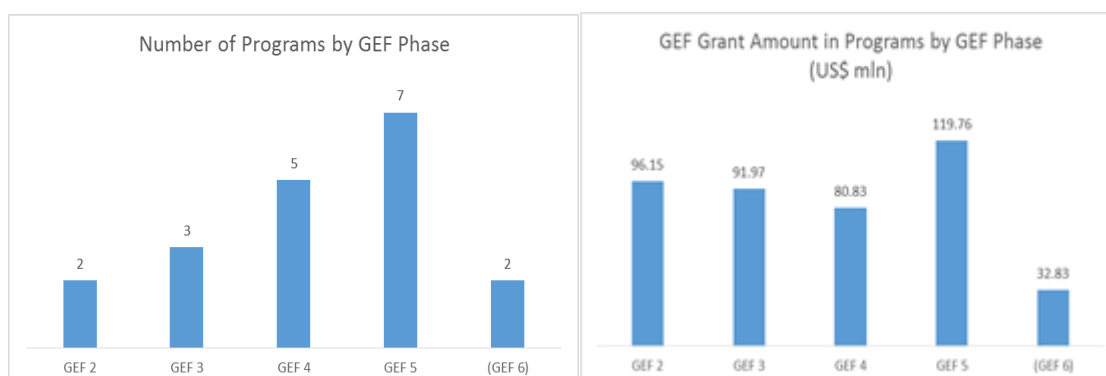
¹⁶ STAP underscored that the GEF would be able to achieve transformational outcomes only by breaking away from single technology and/or single sector approaches toward a focus on systemic approaches. (Enhancing the GEF’s Contribution to Sustainable Development, STAP).

of the GEF MFA portfolio.” Initiatives are presently being initiated in the GEF, with the support of STAP, to develop guidance to agencies and countries on what an MFA project is, what its main components are, what an MFA project is trying to accomplish, and what the criteria for review and eligibility are.¹⁷ STAP noted that “the growth of the MFA portfolio is creating problems in determining success when you have multiple end points that you want to improve.” The experience of IW can help in this domain “Not having an MEA to service has helped the focal area being creative and flexible.” Experts from other focal areas expressed their view that multifocal area projects and programs should not be just the addition of different layers, like adding an IW project to a biodiversity or climate change one, but should instead reflect system thinking. They noted that IW could strengthen this system approach in the TDA process, thus capturing all complementarities and synergies.

2.10 Programs in the IW Focal Area

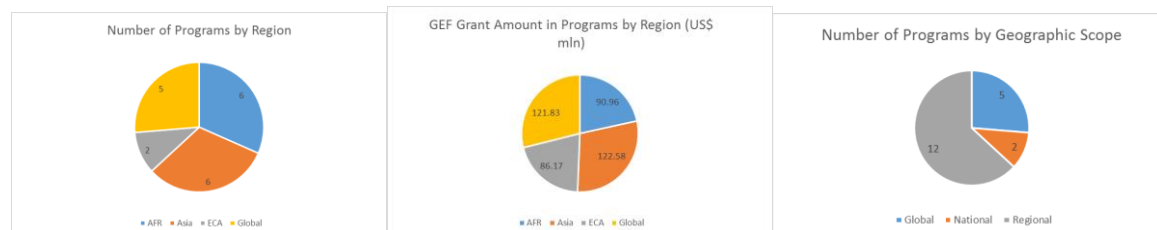
60. Prior to the consolidation of the GEF policies on the Programmatic Approach (PA) funding modality in 2008, and its refinement in 2014, the IW focal area had already experimented similar multi-project programs as a funding modality particularly suited for supporting and accelerating the implementation of Strategic Action Programs (GEF-2 and 3). The Black Sea and Danube Strategic Partnership, the Strategic Partnership for the Mediterranean LME, the Strategic Partnership for Sustainable Fisheries Management in the Large Marine Ecosystems in Africa, and the World Bank/GEF Partnership Investment Fund for Pollution Reduction in the Large Marine Ecosystems of East Asia are examples of this early experience of the focal area. These involved large initiatives involving multiple projects directed to address either a specific major threat (e.g., nutrients in the Black Sea), or the multiple stresses degrading water resources in a trans-boundary ecosystem (e.g., the Mediterranean Sea case). These initiatives were broadly successful in leveraging large investments, and catalyzing replication of practices, behaviors, and technologies.

61. After the Council approval of the programmatic approach, IW programs grew in numbers and investments (GEF-5, 7 programs), and the trend appears to continue in GEF-6 with the approval of two new programs. None of the IW programs approved in GEF-4, GEF-5, and GEF-6 relate to SAP implementation.

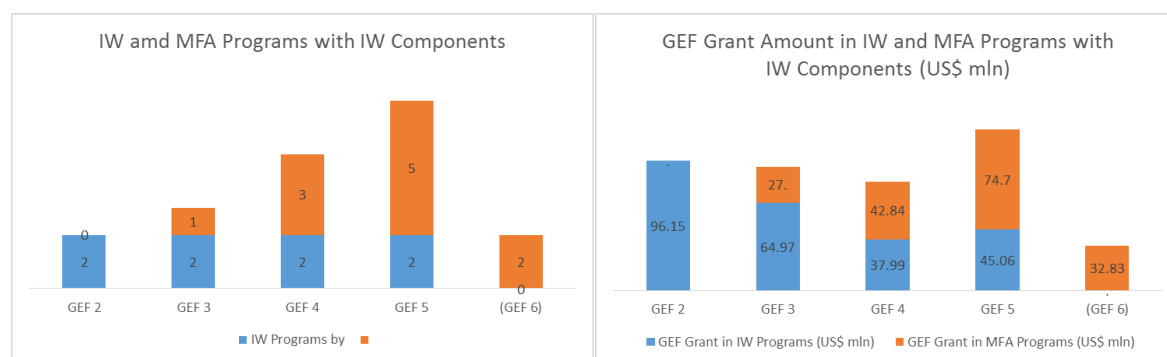


¹⁷ Text in brackets refers to personal communications (interviews).

62. Total GEF funding allocated to IW and MFA programs with IW components is \$422 million, with total leveraged co-financing of \$3.076 billion (>7:1 ratio).¹⁸ The geographic distribution across regions both in terms of number of projects and grant funding is well balanced, with a prevalence of regional projects in geographic scope.



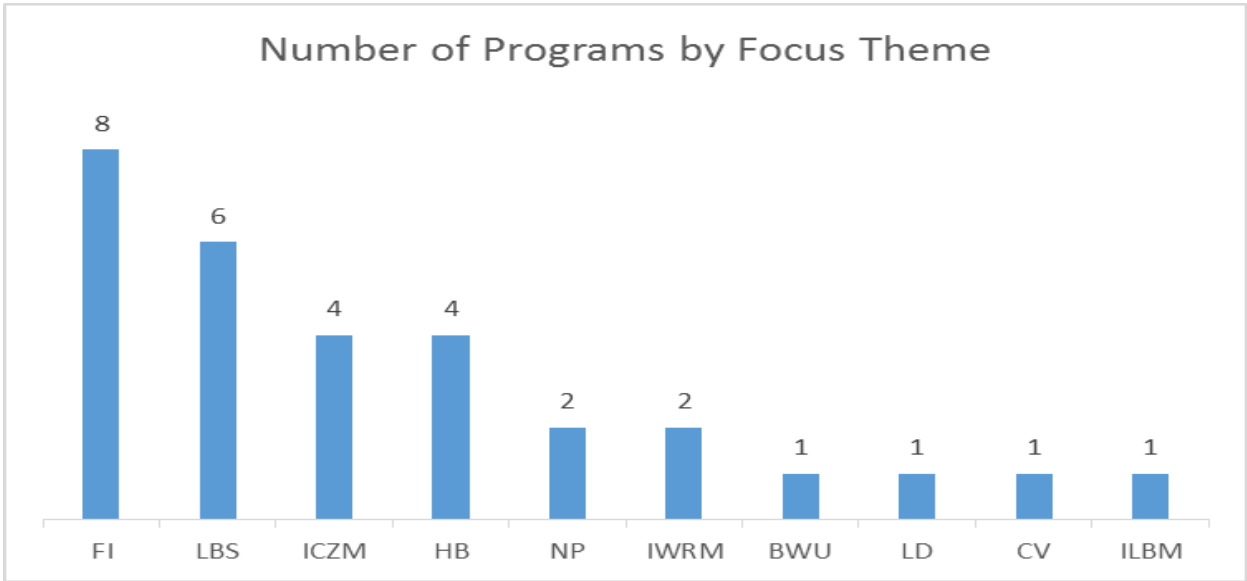
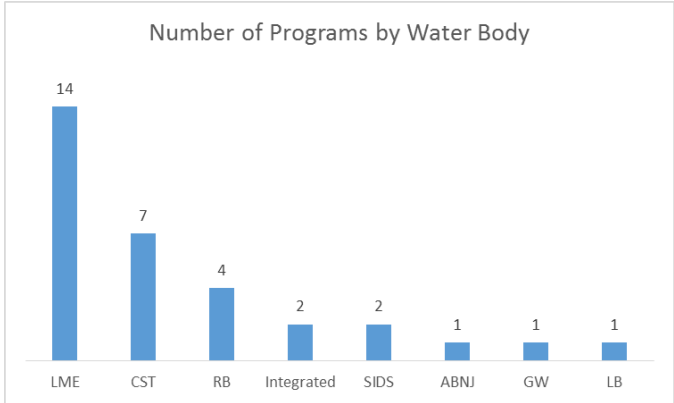
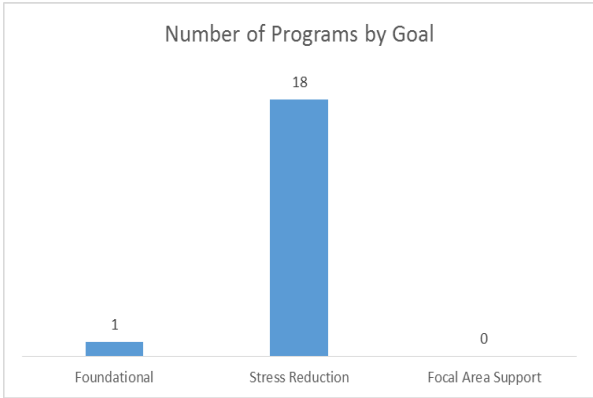
63. Since the issuing of the 2008 GEF Policy, multifocal area programs have increased, becoming prevalent in GEF-5, and so far are the only typology in GEF-6.



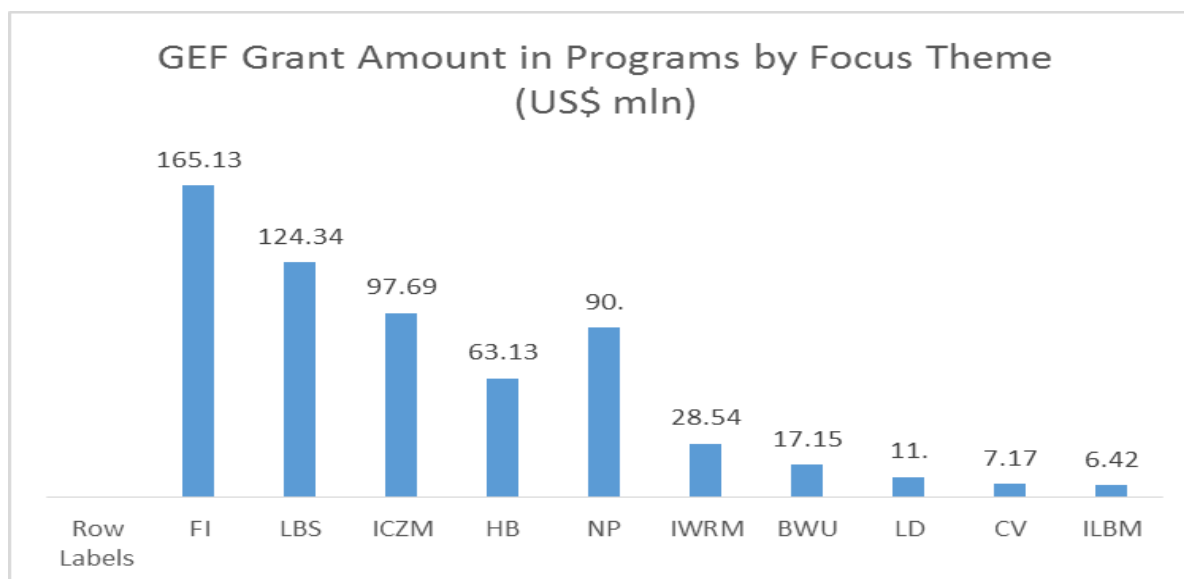
64. The distribution of programmatic approaches and “precursor” IW programs across goals, water bodies, and themes is consistent with the trends of the whole IW portfolio, expectedly showing even higher prevalence of stress reduction over foundational projects, and of marine over freshwater water bodies. More balanced is the distribution across themes, with fisheries still the most subscribed, followed by land based sources of pollution, and nutrients, the latter ones reflecting the early investments in pollution reduction (GEF-2 and GEF-3), while the former dominates more recent entries.¹⁹

¹⁸ The programs include programmatic approach and earlier funding modalities, such as phased projects. For MFA programs, the GEF grant amount includes only IW allocations, while the cofinancing includes only weighted cofinancing (using the percentage of IW financing in GEF grant amount).

¹⁹ In viewing the diagrams, note that programs relate to more than one theme, and to more than one waterbody.



65. The distribution of GEF funding is in line with the above trends, with fisheries receiving the larger share of GEF funding (\$143 million) and cofinancing (\$1 billion).



2.11 Knowledge Management and Focal Area Support

A unique feature of the IW focal area is its portfolio of projects (34 projects, 11 percent of the whole IW portfolio) directed at improving the quality of projects, at capturing existing knowledge on water issues of emerging global concern, at assessing global IW baseline conditions and priority concerns (Global International Waters Assessment, Transboundary Waters Assessment Program), and at making knowledge and experiences gained through IW projects available to all (the IW:LEARN projects).²⁰

66. OPS5 recognized the knowledge management portfolio of IW, the efforts made by the focal area in the field of learning from its own experiences and in the systematic exchanges among projects and partners aimed at improving project performance. Through interviews it was clear that IW is a very good example of building databases, innovating through knowledge management, thinking across jurisdictions and focal areas, linking freshwater with marine environments, leading to cross focal area thinking. The IW study team had the opportunity to attend the 8th International Waters Conference organized by IW LEARN in Sri Lanka (May 2016). The conference was clearly a useful and effective channel in disseminating the experiences gained through IW projects, strengthening the ties of a large network of stakeholders, and in bringing together the project managers of many ongoing IW projects. The creation of a large pool of experienced and IW project managers is one of the major results achieved by IW LEARN, and a valuable resource for the focal area.

2.12 IW Contributions to Global and Regional Agreements

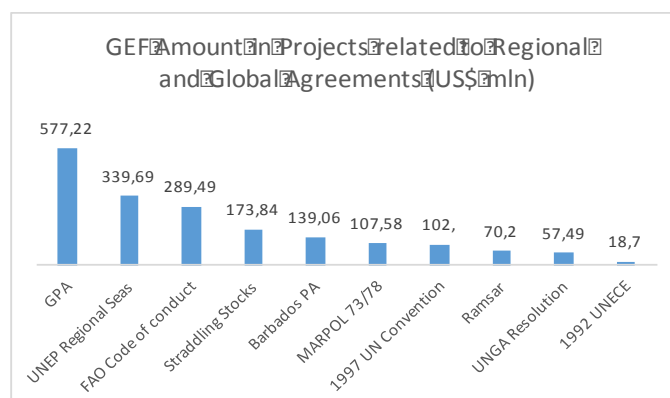
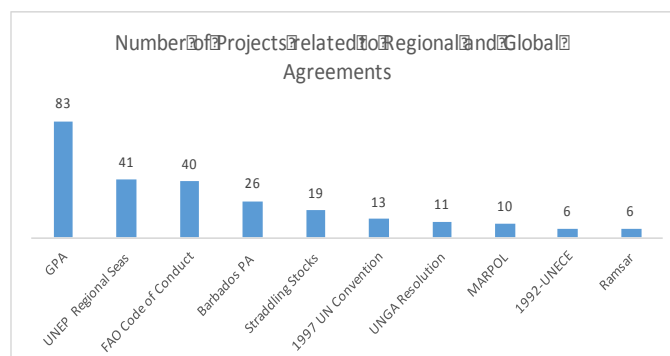
67. The IW focal area has provided substantial support to a set of water-related global and regional treaties, action programs and other soft laws.²¹ One of the strengths of the focal area is that it deals with water bodies in a holistic manner, ensuring a collective response to relevant agreements, whether bilateral, multilateral, regional, or truly global.

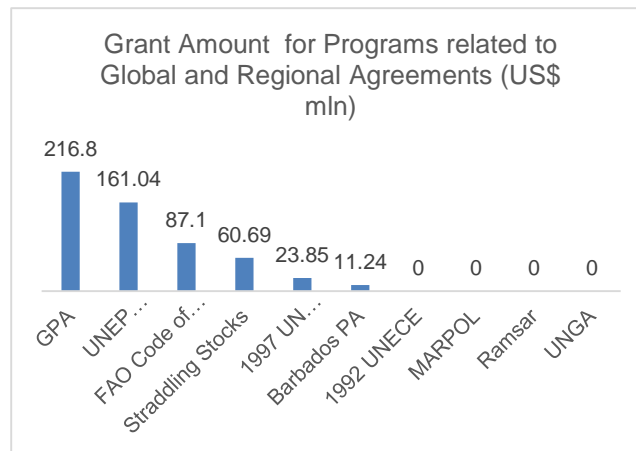
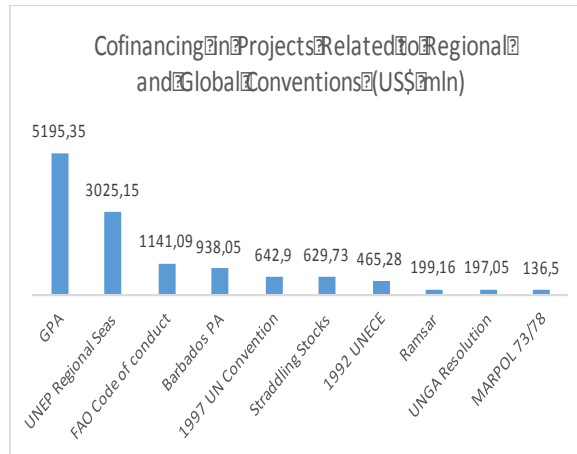
²⁰ In addition, for lack of a better option, the present study has assigned to this category five child projects that ensure coordination and exchanges among the child projects of the respective programs.

²¹ A 2002 evaluation concluded that the GEF could be seen as a major, or possibly the major, facilitator of implementation and increased adoption of international water laws, action plans and regional environmental protection agreements through its IW focal area.

68. In this study, the analysis focuses on a set of global and regional agreements. The UN Convention on the Law of the Sea, and the major MEAs have been excluded from the analysis. Most, if not all, IW marine projects foster compliance with provisions of UNCLOS, and that all IW projects foster biodiversity conservation and integrity, by addressing freshwater and marine water pollution, freshwater ecosystem protection, coastal habitats protection and rehabilitation, and promoting the restoration of fisheries. A number of interviewees noted that the IW focal area supports reaching the goals and outcomes of the UNFCCC, UNCCD, and CBD. However, this is not necessarily recognized in the practice of GEF operations (examples include the Amazon Forests PA, which does not make any reference to the role of water, nor to the IW SAP presently under the process of endorsement by all Amazon countries).

69. The trends emerging from the analysis of freshwater and marine related agreements, confirm the findings of the previous study, with the Global Program of Action for the Protection of the Marine Environment from land based activities (GPA) still receiving the largest support from GEF IW. The support to marine conventions (excluding MARPOL) and fisheries related agreements has increased substantially. Worth noting is the very large co-financing leveraged by IW projects, which has benefited in particular the GPA and the Regional Seas Conventions.





70. Two recent events have further strengthened the framework of international water law, adding to the relevance of trans-boundary freshwater governance. Two agreements, open to all, are now in force: the 1992 Convention on the Protection and Use of Trans-boundary Watercourses and International Lakes (UNECE Water Convention) and the 1997 UN Convention on the Law of the Non-Navigational Uses of International Watercourses. Both treaties cover international watercourses (i.e., freshwater), whether on the surface or underground, that is shared by two or more States. The two Conventions are fully coherent and reinforce each other, with the 1997 treaty focusing more on allocations, and the 1992 Convention on environmental protection.²² GEF IW continues to support the implementation of the provisions of both Conventions in a number of situations, and based on interviews, will continue to do so through its projects. In particular, the Meeting of the Parties to the 1992 Water Convention sees GEF IW as a strategic partner. Some GEF projects in the UNECE region are parts of the Programme of work agreed under the Convention and the Meeting of the Parties has adopted a decision to further strengthen the cooperation with GEF IW (Decision VI/4). As the UNECE Convention Secretariat noted in an interview, the entry into force of both instruments may create opportunities for more strategic synergies with the GEF IW, given the common goal of promoting trans-boundary cooperation in the

²² One of the strengths of the 1992 Water Convention is that it has an active intergovernmental framework (a Meeting of the Parties, several technical subsidiary bodies, an Implementation Committee and a Secretariat), which keeps under continuous review the implementation of the Convention and the evolution of cooperation, and develop policy tools, capacity building activities and projects on the ground to support Parties and non-Parties in their efforts to jointly manage their shared waters. As a codification convention, the 1997 treaty contains no such provisions.

governance and protection of the world's freshwater resources. GEF has supported a number of other regional agreements.

2.13 The Small Grants Programme

71. A successful GEF UNDP initiative, the Small Grants Programme (SGP) as of May 2016 had disbursed a total of \$26.4 million of grant resources in support of 1027 small-scale initiatives related to IW, working with local communities and NGOs. The leveraged co-financing has been of \$38 million. The geographic distribution of these community level actions shows a welcome prevalence in African LDCs, with other concentrations in the Mekong basin countries, Central America, and SIDS. Small grants have targeted primarily coastal habitats, inland and coastal fisheries, reduction of land-based pollution, freshwater and forest management. This multitude of SGP IW initiatives has, in many well documented cases, brought about broader adoption, and scale up of many good practices and behaviors.

3. GEF-6 Review of Quality at Entry

72. The review is based on project concepts only, i.e., on PIFs/PFDs and PCNs (WB) documents of all the IW GEF-6 entries in the portfolio of approved projects. The focus has been on the following four main aspects:

- (a) Alignment with the IW GEF-6 Strategy
- (b) Clarity in the description of objectives and outcomes
- (c) The baseline/indicators framework
- (d) Gender

73. The cluster of 18 GEF-6 projects so far approved develops in five directions:

- (a) Setting the foundations for cooperation in new trans-boundary waterbodies (White Drin, Dniester). This will be done through 2 single IW/MFA projects.
- (b) Advancing the implementation of agreed Strategic Action Programs in trans-boundary aquifer system (the Nubian Aquifer), in three River basins (Kura, Volta, Orange-Senqu), and two LMEs (Arafura and Timor Sea, the Gulf of Mexico).
- (c) Support fisheries management in West Africa, the Pacific Islands, the SW Indian Ocean, the Caribbean, and the Arafura-Timor Sea through 6 projects, three of which are child projects.
- (d) Support coastal fisheries management in 6 countries in 4 continents, and in Madagascar (two MFA Programs)
- (e) Focal area support with two knowledge projects dealing with approaches to the water nexus, and the global commons.

74. The review allowed us to draw the following considerations:

- (a) Proof of adherence to the GEF-6 IW strategies and programs is limited to

the initial list (Table A of PIFs). While for many of the concepts reviewed, for both IW and MFA, the strategic fit to the GEF-6 programs is clear, for others some confusion exists in terms of the GEF cycle, and in the identification of the correct program. Overall, the cluster analyzed will foster the achievement of all IW strategic objectives, with the exception of IW1-2 (High altitude melting glaciers). The largest number of entries relate to IW3-6 and 7 on coasts and fisheries (45 percent): 5 of 8 projects are regional projects, providing the opportunity to open up new perspectives on marine governance approaches, reconciling LMEs with jurisdictional frameworks, such as the Coastal Fisheries Initiative.

- (b) The details provided in the proposals is quite variable, with marked differences among agencies. It appears that agency modalities prevail over GEF standards. Some of the project concepts contain so little information that the review was not possible. In a number of cases the descriptions of the objectives and outcomes are too generic.
- (c) The baseline indicators framework is difficult to assess from the very scarce information contained in the proposals. One has to distinguish between (i) the adoption of the IW Indicators, which are normally established as part of the implementation of foundational projects, and (ii) the selection of indicators related to the achievement of the project outcomes (which are those to be found in results frameworks, built on a solid baseline). At the concept stage the precise definition of the latter ones may not be an easy task, and the very heterogeneous approach taken by the various agencies reflects uncertainties, and possibly the need for policy guidance.
- (d) Gender is considered in many of the proposals, and the first steps in the application of the GEF gender strategy are being taken in these projects. The concepts do not contain details on activities or methodologies, but do mention mainstreaming, assessments and disaggregated indicators.
- (e) The focal area continues to focus on knowledge management in GEF6 as noted in 2 projects approved focusing on the global environment commons and on integrated solutions for energy, water and land.

III. ASSESSMENT

75. This section presents an assessment based on several key aspects of the focal area: quality at entry in GEF-6, contemporary relevance, achievements and effectiveness. This assessment is based on essentially three elements: the evaluative evidence contained in the various OPS reports and other periodic IEO reporting, the analysis of the portfolio, the review of quality at entry of GEF-6 projects so far approved by the Council, and the information provided through 37 interviews with stakeholders. A rapid review of all terminal evaluations of completed projects filled in information on performance, use of indicators, and final reporting.

1. Continuing Relevance of IW Focal Area

76. Based on the evidence collected by this study, the focal area remains highly relevant. It is contributing to the enhancement of regional security and is supporting the sustainable use and protection of trans-boundary waters, their living resources and dependent ecosystems. The focal area, contributes not only to protect trans-boundary water resources but also contributes to ease present tensions, improve livelihoods of the more vulnerable, and sustain economic and social development, consistent with the 2030 Agenda.

77. With the global agreement on the Sustainable Development Goals reached in September 2015, including target 6.5 on trans-boundary freshwater cooperation, and beyond, the focal area has an enhanced role and responsibility. Its support to beneficiary countries in the achievement of these goals, as well as of a number of other targets, will be important. The recent enforcement of the 1997 Convention on the Law of the Non-Navigational Uses of International Watercourses, and the opening up to global adoption of the 1992 Convention on the Protection and Use of Trans-boundary Watercourses and International Lakes (Water Convention) are further indications of the growing priority given internationally to trans-boundary freshwater. This reinforced framework of international water law, can present opportunities for strategic synergies with the IW focal area. Moreover, the intergovernmental structure of the Water Convention can provide a political sounding board as well as political support to GEF IW work, strengthening its ability to operate in more difficult trans-boundary contexts.

78. The analysis of the evolution of the IW Strategic priorities in time has concluded that the focal area evolved well through the GEF-4, GEF-5, and GEF-6 replenishment cycles and embraced changing global priorities. It has expanded focal area action to address new environmental threats to sustainable development, experimented with new approaches and funding modalities, and contributed to the global water discourse. Coherence with its mandate, and its flexibility in adjusting to the rapidly evolving context, are the strengths of this focal area. The uniqueness of this focal area is well recognized by IW stakeholders, intergovernmental organizations, and others, who noted that the work in this area has become irreplaceable.

79. The focal area relevance to sustainable development is growing in view of: the mounting pressures on watersheds and marine resources; the increased transboundary tensions over freshwater; the imperative to mainstream resilience to climatic variability which affects the more vulnerable populations and ecosystems; the need for a collective response to the call for action on freshwater, including transboundary, of the SDGs; the

growing recognition of the water food, energy ecosystem security nexus, and the recently strengthened international water law framework.

80. The relevance of the focal area has also been analyzed from the perspective of the relevance of recently approved projects to the achievement of the IW GEF-6 strategic goals. The small cluster of GEF-6 projects at this stage increases the number of trans-boundary water-bodies with GEF support; promotes stress reduction in 6 water-bodies and supports sustainable fisheries in parts of the Atlantic, Indian and Pacific Oceans; supports improved management of coastal fisheries in 7 countries in 4 continents; improves knowledge of the global commons, and of the water nexus. Through these projects the focal area addresses issues related to balancing freshwater uses (nexus) (IW2-4), sets the foundation for cooperation in new trans-boundary contexts (IW1-1), fights ocean hypoxia in the Gulf of Mexico (IW3-5), supports sustainable fishing and coastal ecosystems in a number of countries and marine environments (IW3-6,7). The only area currently being unsubscribed is IW1-2, on high altitude melting glaciers. The conclusion is that so far, based on few project concepts, the focal area is responding to the GEF-6 programming directions.

2. Results

2.1 Satisfactory Performance

81. This study looked at 129 completed projects with terminal evaluations, which included both IW projects and multifocal area projects with IW financing. Of these, 127 projects have been rated on overall outcome achievement, based on the extent to which projects objectives were achieved, the relevance of project results to GEF strategies, goals, and country profiles and the efficiency with which project outcomes were achieved. 74 percent of the completed projects in the IW portfolio have outcome ratings in satisfactory range. This performance is similar to ratings reported across all focal areas in the Annual Performance Report 2015 (APR 2015). Seventy-nine percent of regional projects have satisfactory outcomes, as compared with 64 percent of national projects. Success rates were higher in Asia (80 percent), and lowest in Europe and Central Asia (65 percent). Focal area support projects (with research and scientific projects included) had the highest outcome ratings (89 percent); stress reduction projects (including demonstration) and foundation projects had a success rating of 72 percent.

82. Fostering a Global Dialogue on Oceans, Coasts, and SIDS, and on Freshwater-Coastal-Marine Interlinkages project (GEF ID 2722) is an example of a focal area support project with high outcome ratings. It aimed to foster global South-to-South dialogue, through the Global Forum on Oceans, Coasts, and Islands, on achieving the Johannesburg Plan of Implementation targets related to oceans, coastal areas, and islands (with a special focus on SIDS) and the inter-linkages between freshwater and the coastal and marine environments. The project made significant inputs into UN processes, such the Convention on Biological Diversity, and the UN Commission on Sustainable Development. By applying lessons learned from the Global Forum on Oceans, Coasts, and Islands, the Global Island Partnership is now a recognized program of the CBD Island Biodiversity Work Program. At the national level, the project's policy analysis led to policy decisions in Mexico (Policy on Integrated Ocean and Coastal Management) and Japan (Basic Act on Ocean Policy).

83. Marine projects (n=53) have a slightly higher percent of satisfactory outcome ratings -

77 percent as compared with freshwater projects (n=51)—71 percent. The complex trans-boundary settings, often more pronounced trans-boundary tensions that accompany freshwater projects, might partly explain the difference. In well-documented cases of supportive political and economic context, freshwater projects have been able to achieve significant outcomes. The *Danube Regional Project: Strengthening the Implementation Capacities for Nutrient Reduction and Trans-boundary Cooperation in the Danube River Basin (Tranche 2)* (GEF ID 2042) was designed and implemented in the context of the expansion of the European Union and under the acceptance of the EU Water Framework Directive (WFD) as a legally binding mechanism for Danube water quality management. The project reinforced national capacities, ensured greater regional coordination on water management policy, and set the direction for national policies in the region. It contributed to a reduction of nitrogen and phosphate emissions into the Danube River by >20 percent and >30 percent respectively, and conditions in the Northwest shelf of the Black Sea are showing signs of restoration.

84. According to GEF APR 2015, 62 percent of projects for which ratings are available (n=125) have sustainability ratings of moderately likely or higher, based on the likelihood of project benefits continuing past project closure. This figure is similar to sustainability ratings across all GEF completed projects. National projects (n=33) have the highest sustainability ratings—67 percent, followed by regional (n=66)—62 percent, and global (n=26)—54. Ratings were higher in the Latin America and the Caribbean region 76 percent, Europe and Central Asia region at 68 percent, and Africa (n=33) and Asia (n=24) at 58 percent.

85. The Hai River Basin Integrated Water Resources Management project (GEF ID 1323) is an example of project with a “likely” sustainability rating. The project aimed to catalyze an integrated approach to water resource management and pollution control in the Hai Basin to improve the Bohai Sea environment. The project introduced a new concept of real water saving targeting a reduction in consumptive use of water. Institutional mechanisms were introduced to promote cooperation between different sectors. The project’s approaches have been adopted by project partners, and captured in national policies, the five-year plan, and in the “Hai River Basin Integrated Water Resources Master Plan.” The national policy called for “increasing fiscal investment in water resources development.” The government has planned ongoing support of the Hai Basin ET Centre to further develop and apply the project’s approach to control over the consumptive use of water.

86. The M&E design and implementation ratings approach present the quality of design and implementation of M&E systems in completed projects. One hundred and twenty nine projects in the portfolio have been rated in M&E design, and 109 projects have been rated on M&E implementation. 53 percent of rated projects have M&E design ratings in the satisfactory range; and 56 percent have satisfactory M&E implementation ratings. These figures are slightly lower than the M&E ratings of the overall GEF portfolio as cited in APR 2015 (59 percent and 62 percent, respectively); however, the difference is not statistically significant.

2.2 Highlights of Achievements

87. The overall achievements of the focal area have been noted in all Performance Studies conducted by the Independent Evaluation Office over the years, and by all stakeholders who have been interviewed. The focal area has been discussed as an example for:

- (a) 67 percent of projects resulting in broader adoption of the outcomes through replication, mainstreaming and scaling up,
- (b) for its demonstrated ability to leverage high co-financing (1:6),
- (c) for its step-wise long-term approach to trans-boundary cooperation,
- (d) for its successful knowledge management (the focal area support projects, and in particular IW: Learn),
- (e) for the 76 percent of its projects achieving policy and process outcomes such as regional agreements across countries sharing a water body.

88. The focal area has contributed to achievements, including: the rehabilitation of the Black Sea NW Shelf dead zone, the adoption of the Ballast Water Convention on Alien Species, to enter into force in 2017, the Pacific Tuna Treaty, the Guarani Aquifer Agreement, and its demonstration projects that supported the process that led to the Stockholm and Minamata Conventions, among others. One of the examples of projects achieving regional policy-level change has been the *Implementation of the Benguela LME Action Program for Restoring Depleting Fisheries and Reducing Coastal Resources Degradation* (GEF ID 3305). The project helped to institutionalize the Secretariat of the Benguela Current Commission (BCC) and assisted the BCC Secretariat in getting the Benguela Convention signed. The governments of Angola, Namibia and South Africa jointly fund the Commission that is a vehicle for countries to implement an integrated multi sector and multi-country approach to ocean management.

Expanded Country Coverage

89. The focal area is now operating in all GEF eligible countries. It is engaged in :
- (a) facilitating cooperation over trans-boundary water issues in the majority of the large marine ecosystems and major river and lake basins of the planet (79 water bodies),
 - (b) in directing its investments toward stress reduction in all major high seas fisheries.
 - (c) in elimination of marine dead zones due to excess nutrients in East Asia, the Mediterranean, the Gulf of Mexico, and the Caribbean;
 - (d) in strengthening river commissions and other regional bodies,
 - (e) in promoting multi-sectoral approaches to surface and groundwater management and a multiplicity of trans-boundary management arrangements in Africa, the ECA and LAC regions, SIDS, and South Asia.

90. Overall projects are evenly distributed across regions, and involve all eligible countries. As investments in SAP implementation and stress reduction grow, also national IW projects grow in numbers and allocations, with 85 projects in 45 countries, with the bulk of the funding going however to 10 countries only, with China receiving the largest allocation (30 percent or \$102 million).

From Processes to Stress Reduction

91. The IW portfolio shows an increasing trend of growing investments in stress reduction, with acceleration in GEF-5, with 52 projects approved, and continuing in GEF-6. While in the early cycles stress reduction projects were mostly standalone demonstrations, starting with GEF-3, stress reduction was supported almost exclusively as part of SAP implementation through programmatic approaches precursors: Strategic Partnerships and Investment Funds, while standalone demonstrations disappeared from the portfolio in GEF-5 and 6. Projects related to processes (foundational) had their peak in GEF-4, with 21 projects, with a drastic decrease in GEF-5 and 6, presently down to only 2 projects over a total of 18 approved so far in GEF-6.

92. This decrease in investments in foundational projects addressing new water bodies does not signify that GEF is completing its work in this area, and is reaching the goal of having facilitated cooperation in all major trans-boundary water systems. The goal is in fact far from being reached, particularly in the freshwater domain. The 166-transboundary aquifers larger than 5,000 square kilometers or the 286 trans-boundary river basins mapped by the Transboundary Waters Assessment project (TWAP), demonstrates this gap. One possible explanation for this reduction in foundational projects resides in the actual allocations to projects of the focal area, which after an initial growth, starting with GEF-3 remained between a minimum of \$280 million (GEF-4) to a maximum of \$356 million in GEF-5, with a decline in real terms. This constraint posed to the focal area is noted in all Overall Performance Studies, which contain recommendations for an expansion of IW funding in view of its high relevance, and good performance. Another factor influencing the growth of stress reduction projects, may have been the generalized emphasis and urgency placed on the achievement of on the ground “measurable” impacts. Proper consideration should be given to the importance of facilitating policy, legal and institutional frameworks and guiding principles needed to enable strategic action on the ground and the broader adoption of successful practices, technologies and behaviors.

2.3 Case Study: The Use of Remote-Sensing Analysis to Demonstrate Change in Lake Victoria

93. The invasive hyacinth was first reported in 1988. It spread across the lake cutting off communities and putting the economic and food security of millions at risk. The GEF/WB Lake Victoria Management project (GEF ID 88) aimed at clearing the water hyacinth as one of its objectives. Using remote sensing methods, the following analysis demonstrates the changes in the hyacinth infestation.

Method

94. Vegetation index provides a consistent and comparable remote sensing measurement for investigating changes and patterns at spatiotemporal dimensions; Normalized Difference Vegetation Index (NDVI) is the most widely used index for monitoring vegetation as well as other nonvegetation types, such as water quality. NDVI was derived from the daily MODIS observations over the Victoria lake waterbody and then aggregated at both temporal and spatial dimensions to present a stable and consistent monthly indicator the lake.

- (a) Google Earth Engine and open source statistical software were used for processing and analyzing the remote sensing observations.

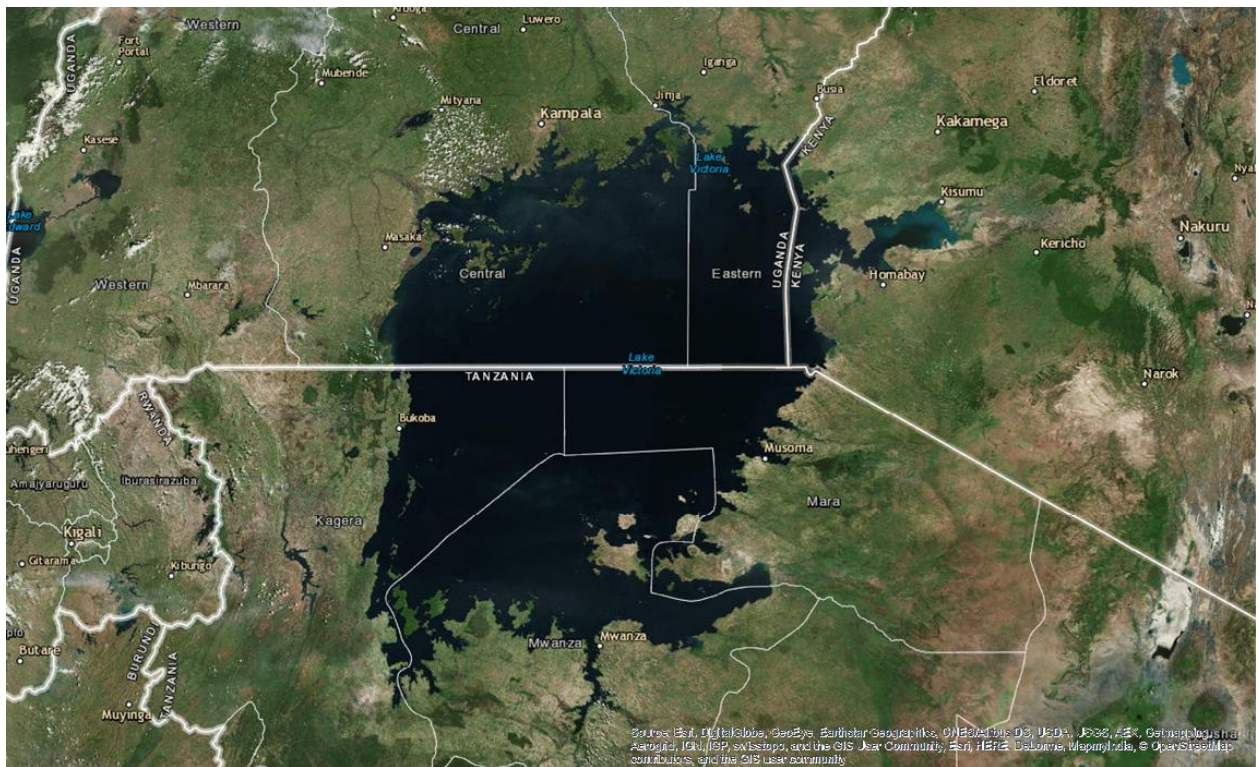


Fig1. Satellite true-color image of Lake Victoria and its surrounding areas.

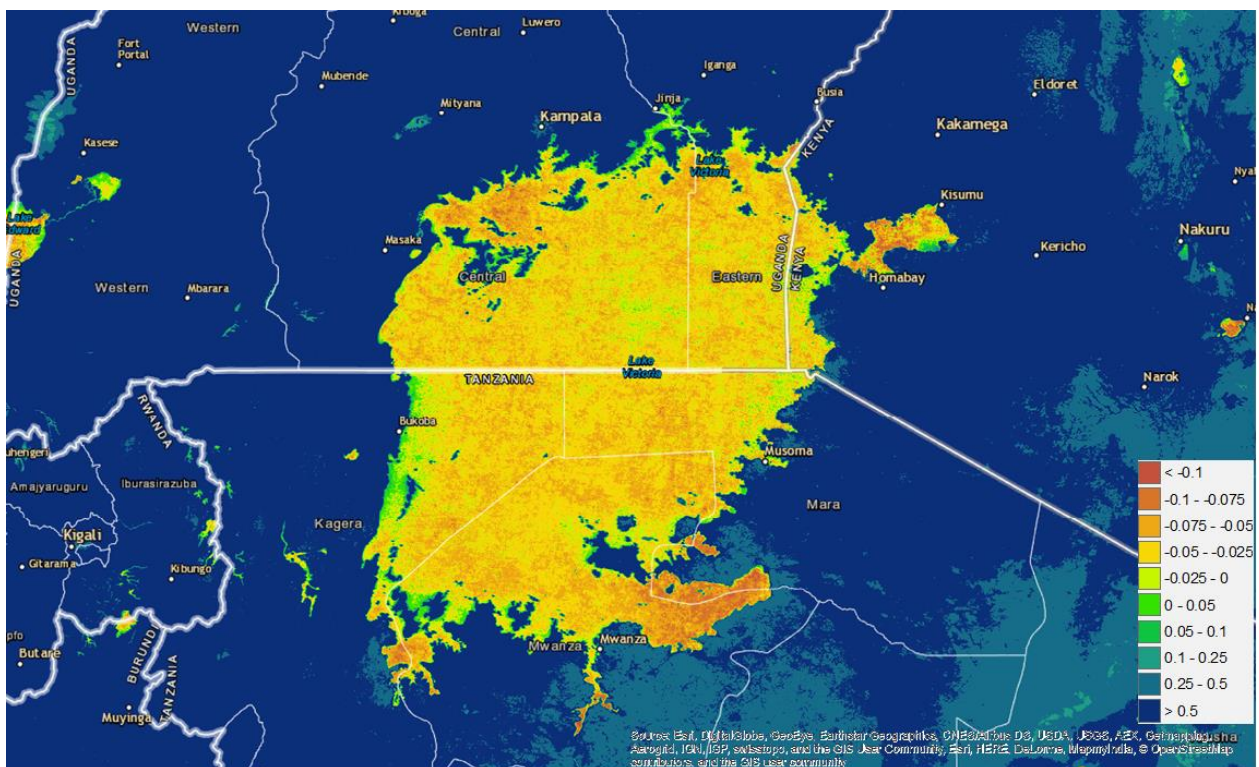


Fig 2. Annual average NDVI map of Lake Victoria and its surrounding areas.

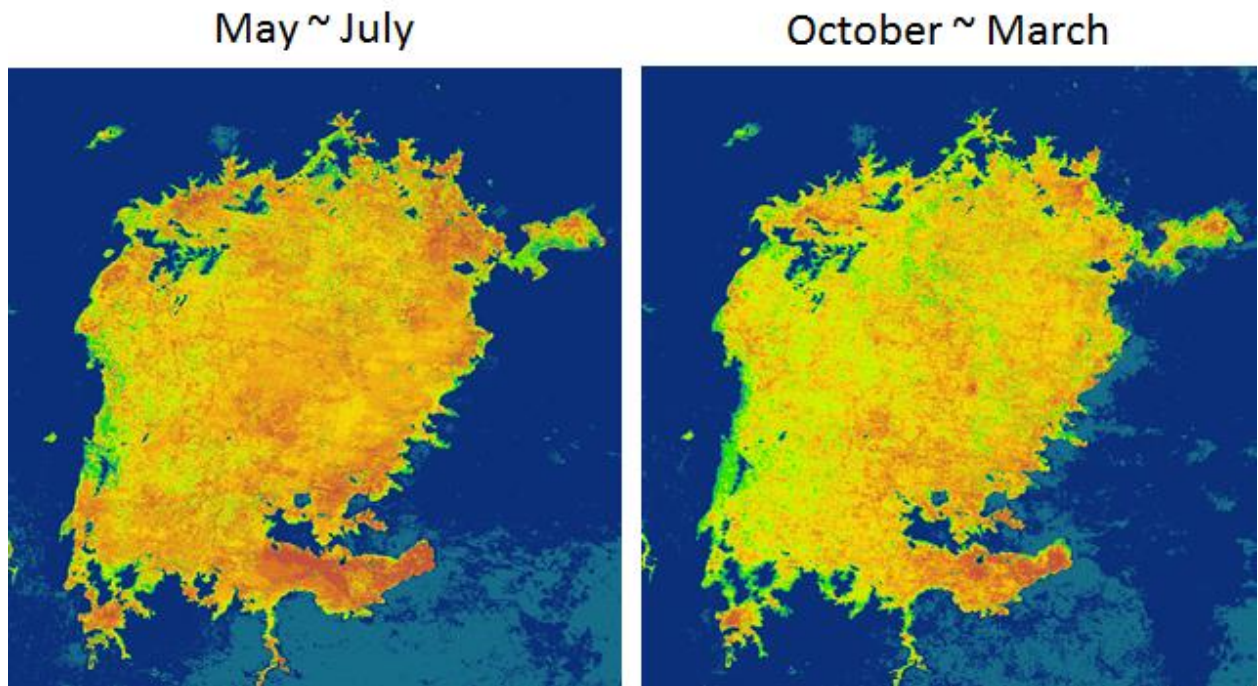


Fig 3. Comparison of average NDVI for different seasons

- (b) Time series analysis was applied to analyze the time series NDVI to extract general inter-annual trend, seasonal phenology, and other characteristics of the lake.

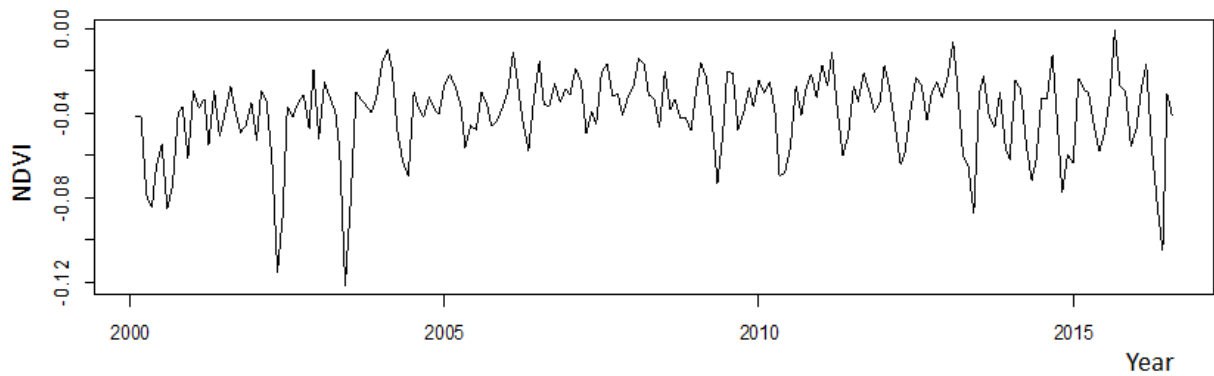


Fig 4. Monthly NDVI observed from February 2000 to August 2016 over the waterbody of Lake Victoria

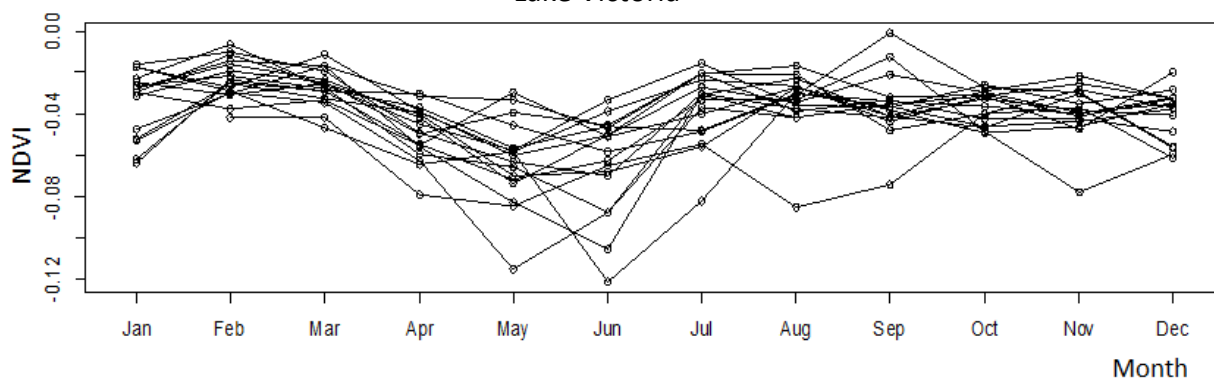


Fig 5. Monthly NDVI variation over the waterbody of Lake Victoria

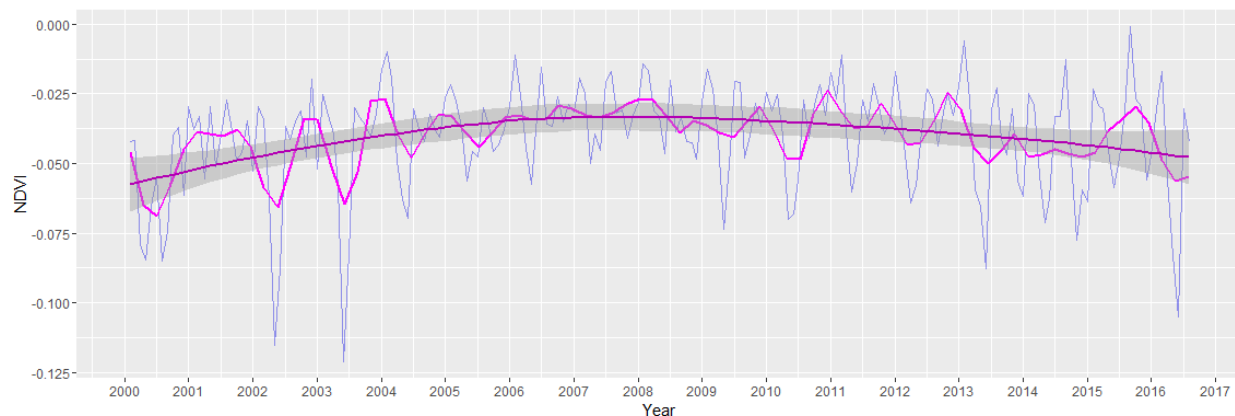


Fig 6. NDVI trend extracted from time-series analysis of historical NDVI recorded from 2000 to 2016

Results

95. Distinguishable seasonal characteristics can be observed from the time-series NDVI of Lake Victoria. The index was generally high and stable between August and March, but decreased to a lower level between April and July with higher variation among the years. The inter-annual trend shows that the overall NDVI in Lake Victoria had increased until 2008 (48 percent more than in the base year 2000), and then entered a decreasing phase until the present. For 2016, the difference is 12 percent when compared to year 2000.

2.4 Environmental Status

96. For the purposes of the IW focal area, the IW Interagency Task Force in 1997 developed three types of indicators now broadly applied within and outside the GEF: Process, Stress Reduction, and Environmental Status Indicators. They are applicable to all water body rehabilitation projects and programs.²³ Environmental status indicators are measures of actual performance or success in restoring and protecting the targeted water body. They require long-term monitoring to be meaningful. The IW policies for Foundational projects recommend that water body-specific environmental status indicators be agreed upon by all countries sharing the water body (the baseline to be provided by the science contained in the TDA) with the commitment to monitor them for the long term in order to assess the effectiveness of the remedial actions undertaken. This unfortunately is rarely done in the practice of IW projects, which precludes a quantitative assessment of what has been achieved so far. An effort was made by the GEF IEO to assess the impacts achieved in the South China Sea and surrounding areas,²⁴ which would have benefited from the analysis of these indicators if they were available.

2.5 Effectiveness

A Catalyst for Integration

97. As noted in several evaluations, and confirmed in this study, the IW focal area follows a stepwise, long-term ecosystem-based approach to the building of trans-boundary cooperation and the restoration and protection of trans-boundary water bodies. This,

²³ See also 3.1.

²⁴ See 3.4.

together with its reliance on science and knowledge management, and its systemic view of the many interconnected variables controlling water, place the focal area in a unique position as a catalyst of integration: *the Strategic Action Programs, agreed upon by the governments of the countries sharing a waterbody, based on the science and systemic approach*²⁵ of the *Transboundary Diagnostic Analysis*.

98. IW foundational projects have provided the evidence that solutions to water concerns lie not just in improving water supply and treatment, or in protecting aquatic ecosystems and environmental flows, but also, and often primarily, in distant sectors such as food and energy production, trade, land use and urban planning, industrial processes, forests management, etc. Interviews with other focal area leaders have indicated that this opportunity is in principle recognized. They emphasized the need for strengthening the TDA system approach to embrace a broader spectrum of variables. Interviewees noted the many potential fields of cooperation between IW and GEF action in climate change–related themes,²⁶ and with the biodiversity focal area too, to which all IW projects greatly contribute.²⁷ Obvious synergies, and of crucial importance, exist also with the land degradation focal area, as noted by the CCD Convention Secretariat in an interview.

99. The protection of the Earth’s finite and mostly trans-boundary water resources requires cooperation among countries and synergic integrated actions across sectors. On the other hand, access to water in sustainable quantity and quality is essential to achieve many of the SDG goals and targets, to adapt to the impacts of climate change, to achieve energy security, to protect soil and forests, and combat desertification. The GEF-6 strategy, takes a first important step toward a fully systemic approach by introducing the requirement at SAP implementation²⁸ to unravel and address the conflicts at the water-food-ecosystem nexus to increase water security. Within this context, the role of IW with its trans-boundary mandate acquires importance in a number of situations, as facing these multiple stresses requires strengthened cooperation among countries and a collective response to the multiple priority stresses for individual water bodies by States rather than by single themes or single state.

100. The call for integration across focal areas is implicit in a recent STAP paper that reemphasizes the importance of the intellectually stimulating organizing concept of “source to sea systems,” linking river basins and marine ecosystems. The paper notes that there is evidence of substantial ecosystem degradation in the source-to-sea continuum, linked by flows of water, sediment, pollutants, materials, biota and ecosystem services from land, via rivers, lakes, and groundwater reservoirs toward deltas and estuaries, coasts and the open seas. Existing governance and management arrangements face significant challenges in addressing such system connections, particularly in the marine space. Apart from the complexity of this all embracing approach, obstacles to the implementation of source-to-sea approach are also posed by the present sectoral international law framework provided by the Law of the Sea and the 1997 UN Water Convention. Unfortunately, the paper does not

²⁵ The systemic approach is present in TDAs, although not fully developed.

²⁶ Interviews confirmed that there are three perspective areas of cooperation: mitigation, adaptation and the private sector. In mitigation for example there are opportunities and challenges: in marine debris (waste to energy projects, collections techniques); Blue carbon space: mangroves, and carbon stocks funded by IW that delivered mitigation benefits; aquaculture that reduces greenhouse gas emissions; climate-smart agriculture and sound water management that reduces emissions: e.g., rice paddies and methane emissions.

²⁷ The opposite may not be true, with freshwater ecosystems and biodiversity being the most threatened.

²⁸ This requirement should also be extended to the preparation of future TDAs, and the periodic updates of existing ones.

include the “MedPartnership” project, an example of a source-to-sea approach to the protection of an LME, the first to consider the entire basin draining to the sea, including the coastal aquifers and dependent ecosystems, and the land-marine interface within the governance framework provided by the Barcelona Convention and its protocols.

A Collective Response to International Water Law

101. While not serving one specific international agreement, the IW focal area has provided through its projects relevant support to the collective response to global and regional water related agreements, from global binding conventions, to regional instruments, programs of action, and codes of conduct and supported countries in the drafting, formulation and signature of a number of regional water body-based agreements.

102. The present study has shown that, after the Convention on Biological Diversity and the Law of the Sea, the largest support goes predictably to the marine fisheries related agreements, followed by the GPA and by treaties related to freshwater, SIDS, habitats and navigation. The importance of this contribution cannot be overestimated. The merits of IW reside in the collective nature of the response, with projects supporting compliance to the interlinked provisions of different related treaties and soft guidance, enhancing their effectiveness and mutually reinforcing sectoral agreements, and in the channeling of compliance efforts to where they are most needed. This is well in line with, and represents an example for the present drive toward more integrated guidance from the different sectoral MEAs. The STAP was asked to assist in identify an indicator of agro-ecosystem resilience that might serve the UNCCD, CBD, and UNFCCC. “This is a signal that single MEAs do not work” affirmed the STAP Chair, and continued: “times are changing as we are seeing with the SDGs and the interest that is occurring naturally across conventions.” A case in point, highlighted by the UNCCD Secretariat in an interview, is the global indicator on land degradation (SDG indicator 15.3.1 “Proportion of land that is degraded over total land area” of which the UNCCD is the custodian agency) adopted by the UN Statistical Commission in March 2016, that will be derived using three of the six progress indicators adopted by the UNCCD Parties, namely *land cover/land cover change*, *land productivity and carbon stocks*, *above and below ground*. These indicators are also being considered for reporting on the CBD’s Aichi biodiversity targets as well as in monitoring the commitments under UNFCCC. Water plays a pivotal role in all the three aspects covered by these indicators.

103. Of particular interest for IW are (i) the synergies with the two international freshwater waters conventions recently entered into force that may open new opportunities for increased effectiveness and coverage of focal area freshwater interventions; (ii) the process of integration among the three major MEAs, in particular CCD and FCCC, as exemplified by the adoption of the SDG global indicator on land degradation with its implications for the other conventions, and for water.

104. The analysis of the portfolio and the review of terminal evaluations have provided evidence on the one hand to the important contributions of the focal area to international water law, and on the other the almost total absence of references to this in project related documents (concepts, terminal evaluations). It seems that while the guidance provided by international water law is often explicitly recognized in, and inform the GEF IW Strategies, project designers do not directly draw design elements from these guiding instruments.

A Regional Strategy and National Solutions

105. A cluster of standalone predominantly national actions nested within a regional strategic framework constitutes IW Strategic Action Programs. Their full implementation will almost without exception require multiple focal area interventions. Food security, energy production, protection of ecosystem services and biodiversity, soil conservation, resilience to climate variability and change are all in a number of ways controlled by the availability of water resources of sufficient quantity and quality. The opposite is also true. Solutions to trans boundary water concerns require national actions in multiple focal areas.

106. National actions part of a SAP respond to regional priorities that need to be reconciled with national priorities. This is the regional vs. national dilemma faced by IW SAP implementation. Solving the dilemma is in the interest of the countries. In fact, managing the trans boundary, regional dimension of our natural resources, and of water in the first place, is not an option, but a cornerstone of sustainable development.

107. Undeniable evidence has been gathered showing that the large majority of marine and freshwater resources on Earth are trans boundary. Their management, to be sustainable and effective, has to be considered within this trans boundary physical, biological, political and socioeconomic context, i.e., the river basins and related aquifers, and/or the coastal-marine ecosystems, interlinked within an environmental continuum by the flow of water. The IW focal area, through its ecosystem approach and TDA-SAP consensus building process provides countries with the framework needed to direct part of their investments of GEF STAR (land degradation, climate mitigation and adaptation, and biodiversity) funds, where they are most needed to balance transboundary conflictive water uses, while accruing multiple global environmental benefits, and providing a collective response to regional and global environmental agreements—in particular to the three major MEAs, and foster climate resilience and sustainable development.²⁹ The programmatic approach funding modality is particularly suited to facilitate the joining of forces of focal areas in the implementation of IW Strategic Action Programs. The GEF portfolio however does not show progress in this area.

108. Interviews pointed out obstacles that so far have prevented accessing STAR funds to complement IW initiatives. Often dealing with regional bodies—river basin commissions, regional seas conventions, etc.—IW projects may lose contact with the countries; GEF focal points may not be able to exercise their coordinating role; convention focal points are not consulted; and coordinators of other focal areas do not understand that SAP implementation is in many cases no longer regional. The idea of giving some priority, or dedicate some STAR funding to IW SAP national actions particularly in land degradation and climate change, has not apparently made any progress, neither in countries nor in the GEF.³⁰

An Unbalanced Portfolio

²⁹ Cooperation is instead already active with the Chemicals and Waste focal area, not part of the STAR system.

³⁰ Improving coordination with bilateral donors is another way to solve the SAP implementation regional vs. national dilemma. There are very good examples of coordination and complementary actions between GEF IW and France, Spain, Italy, Germany and the EU in the Mediterranean region. These examples are not linked however to a systematic effort /mechanism.

109. The IW portfolio evolution through time has led to an unbalanced situation between freshwater and marine projects, with a marked prevalence of GEF investments in marine projects, in particular fisheries ones. Numbers of freshwater projects have instead remained constant since GEF-2, and with decreasing investments. In GEF-5 and GEF-6, investments in marine issues doubled those in freshwater, with over 50 percent going to fisheries projects. Marine fisheries have now become the object of the largest GEF IW investment of the whole portfolio, with 66 projects, and \$466 million investments. This increase coincided with the GEF-4, GEF-5, and GEF-6 cycles, starting in 2008.³¹ The reasons for this strong prevalence of marine projects, and within the marine cluster of fisheries ones, may lie in the relatively less complex trans boundary settings in the marine domain, the short term economic and social benefits that maybe derived from improved ecosystem based sustainable fishing, the clear benefits that can be gained in terms of biodiversity conservation. Other factors may also play a role, such as the keenness of development banks to engage in this less risky and more profitable field, or a deliberate choice to steer the portfolio toward an “oceans” focal area.

110. The resulting prevalence of investments in marine fisheries and ocean affairs may limit the ability of the IW focal area to assist countries in facing the present challenges posed by climatic variability and water scarcity hitting the more vulnerable populations. The focus on freshwater could be increased as it is well nested within the concept of IW. The evolution of environmental sciences has unraveled the interconnected nature of land and sea within an environmental continuum where the health of marine ecosystems and of their living resources, including in particular coastal fisheries, largely depends on the quality and quantity of freshwater flows. The results of the GEF Trans-boundary Waters Assessment Program have shown that most freshwater on Earth is to be found in trans-boundary river basins and aquifers, resources that can only be managed sustainably if considered within those trans-boundary contexts. The livelihoods of the people of the Sahel, and of many others living in water stressed regions, will growingly depend on the sustainable joint management of their trans-boundary and interconnected river-aquifer systems.

Recognizing the Hurdles

111. Fostering cooperation among riparian/littoral countries of shared water bodies presents a number of hurdles that delay or even prevent action altogether. Among them is the important investment of resources that goes into project or program preparation, when an agency has to bring countries together and help them agree to join forces around difficult issues, as is often the case with scarce freshwater in downstream contexts. This in itself is a great achievement, “but for the GEF it is just the beginning,” is the view expressed in interviews. PIF preparation, not being funded, is a high-risk operation for agencies, which may tend to privilege the easier more predictable contexts for action. Setting the limit of 18 months is not sufficient and not all agencies have grant funding to cover the costs of PIF preparation. There is consensus among agencies that the equivalent of the old PDF A should be considered, and agreement among stakeholders that lack of risk money for assisting in the PIF preparation is a shortfall of the system.³² This lack of flexibility reportedly hinders the focal area ability to work where it would be most needed, as in areas of freshwater conflicts or scarcity, or where upstream/downstream and sovereignty issues are more critical (e.g., Central Asia, South Asia, the Fertile Crescent, Central America). This would

³¹ See point 4.8.

³² This might be one of the reasons for the slow or absent response to new strategic objectives which would require the agencies to build their capacity, hire experts and invest their own resources.

require a change or adjustment in policies, allowing IW to work in water conflict areas step by step, including overcoming barriers to cooperation through national projects.

Private Sector: Not Yet a Partner

112. There has been traditionally much interest in IW for the involvement of the private sector both as a major stakeholder in water resources and as a source of additional funding. The results so far are not encouraging. IWLEARN through its latest International Waters Conference held in Sri Lanka explored ways to further and deepen the relationship between IW funded projects and the private sector. Changing private sector behavior is the focus of new initiatives in the fisheries sector. According to interviews, efforts are being made to engage with the beverage industry on addressing the resource constraints along their supply chains, which is an issue that most, global players have started to identify as a threat to sustainable long-term investment. Further, ABNJ projects are potentially good example of private sector engagement, together with an MSP linking private sector and coastal management plans, reconciling the needs of the industry with the needs of ecosystems (PEMSEA).” Accepting private sector funding is also problematic. GEF can only receive funding from the private sector as co-financing in projects, or for setting up trust funds.

Participation in the Partnership

113. All Agency representatives who were interviewed called for a revitalization of the partnership and greater participation in developing strategies. According to interviewees, there is a lot of capacity around the GEF, which is not utilized. Agencies reported that they are not involved in any kind of strategic planning, and that with the expansion the dynamics of the task force has changed and it has to adjust its coordination functions.

114. The present large number of GEF Agencies, while expanding the experience, know-how, and networks from which to draw inspiration and opportunities for action, challenges the capacity of the system to act in a synergistic way. This is particularly true for IW, a focal area not guided by the priorities of a Convention. Lack of Agencies participation in the definition of IW strategies may be another reason for the slow, at times perfunctory response to the strategic directions indicated by the Secretariat.

IV. CONCLUDING REMARKS AND ISSUES FOR CONSIDERATION

115. The present IW study has attempted to present a picture of the past achievements, present engagement, future potential, and assets, problems and constraints of the IW focal area. It was based on a review of the evolution of IW strategies in time, evaluative evidence, an analysis of the portfolio and terminal evaluations and interviews with 43 stakeholders from the GEF Secretariat, the GEF agencies, STAP, external executing agencies, Convention and Basin Commission Secretariats, and managers of GEF projects.

- (a) After 25 years of operations, 296 projects approved and \$1.68 billion grant funding disbursed, the IW focal area of the GEF is widely recognized as an important global player in promoting multi-country cooperation over shared freshwater and marine water resources. Its relevance to contemporary challenges remains strong, and the effectiveness of its investments and modus operandi, and of its uniquely successful IW Learn mechanism have been demonstrated.
- (b) New developments have further reinforced the relevance of the focal area, and provided a strengthened policy framework for the development of its activities: (i) the agreement, reached in September 2015, on the Sustainable Development Goals for 2030, which include targets on freshwater resources, including transboundary cooperation, and on the protection of marine resources; (ii) the enforcement of the 1997 UN International Watercourses Convention, and the opening to global adoption of the 1992 UNECE Water Convention; (iii) the process of integration among the three major environmental conventions, including common comprehensive SDG indicators, indirectly related to water. These landmark developments reflect the growing international concerns on water security and on the health and productivity of oceans and seas.
- (c) Focal area disbursements have remained approximately constant since the mid-nineties at comparatively low levels, and decreasing in absolute terms. Previous recommendations calling for an expansion of IW funding made by the Independent Overall Performance Studies of the GEF, were not implemented. Addressing new emerging challenges, facilitating cooperation in new trans-boundary water bodies, the SDG process and the new global water policy framework suggest the need to revisit the resource envelope for the focal area.
- (d) Marine resources and oceans have received by far the largest share of IW resources, well over those destined to freshwater issues. Fisheries are now the most subscribed theme of IW interventions, with 66 projects and \$466 million grant funding from GEF, or 28 percent of the total IW grants allocation. The trend toward increasing funding to the less contentious marine issues—not called for by the well-balanced GEF-4, GEF-5, and GEF-6 IW strategies, nor encouraged by the OPSs—started in 2008 and continues to this day. Given the constantly modest level of IW funding, the growth of the marine portfolio occurs at the detriment of other no less important and possibly more pressing priorities themes in the freshwater domain. This

evident and growing imbalance in the IW portfolio calls for attention, as it might jeopardize the ability of the GEF to assist countries facing the challenges, tensions, and dramatic choices posed by climatic variability and water scarcity affecting more vulnerable populations.

116. The study team considers it useful to point out issues that emerged during its work and were recurrent themes in interviews where internal policy reforms may bring about improvements in the performance of the IW focal area to respond to present challenges to sustainable development:

- (a) Include an expanded explanation of strategic fit in project concepts, as well as a section illustrating the adherence of the project to existing regional and global agreements, and its contribution to the implementation of their provisions and to the achievement of the SDGs.
- (b) Apply more flexibility in considering the best ways to create an enabling environment for cooperation in areas of higher water stress or political trans-boundary tensions. Support should not be denied to those countries willing to cooperate, and a step-by-step approach should be adopted to bring all countries to the table.
- (c) The history and achievements of completed projects, together with the experiences gained and lessons learned from them, should be fully captured in a final report produced by the project team.
- (d) The design of all projects, including those not following the IW TDA-SAP approach, should make an effort to produce science-based baseline conditions and related simple and measurable indicators. The description of the baseline and indicator logic could be part of project concepts, to be detailed quantitatively at project endorsement stage.
- (e) Support and attention should be given to a new generation of Trans-boundary Diagnostic Analyses that is planned as part of the ongoing phase of IW Learn. The design should adopt a systemic approach and involve multiple focal areas, unravel the water nexus conflicts under climate scenarios, incorporate the social and economic local, national and regional dimensions, and gender equality conditions based on sex disaggregated data.
- (f) Ensure sufficient time and support to build capacity for action on new priority areas. Innovations and improvements in terms of the relevance introduced in IW strategies should either be permanent or be allowed to develop their impacts on the portfolio for an extended period of time beyond the four-year duration of replenishment cycles. Time, and investment in capacity, is needed for countries and agencies to absorb and develop an understanding and ownership of newly introduced practices and fields of action.
- (g) No new themes should be added without a concurrent increase in the focal area allocation. One way to prepare the ground for action on new priority

themes in terms of resources and capacity, would be to start by funding a project, possibly of a multifocal area nature, to assess the characteristics, needs, global relevance, and focal area implications of any new priority, and thus provide solid elements for decision making and the planning of resources. A review of GEF IW action on oceans and ice melting would be required based on the findings of the Intergovernmental Panel on Climate Change (IPCC) *Special Report on Climate Change and the Oceans and the Cryosphere* due in 2019.

- (h) Consideration should be given to providing financial support for the preparation of PIFs and PFDs in complex, multi-country contexts such as those characterizing many IW projects, in particular foundational ones.

20. To foster integration within the GEF, and to better coordinate with STAR programming as called for in IW SAPs, the following measures could be considered:

- (a) Invite GEF focal area representatives and the major global conventions to react to proposed IW strategic priorities well in advance of their adoption.
- (b) Introduce in future IW strategies a reference to the points of view of the various conventions and to shared priorities, paving the way for consultations on major IW initiatives at the national level with convention focal points.
- (c) Consider the application of the comprehensive set of SDG indicators of land cover, land productivity, and carbon stocks in IW programmatic approaches as these are being considered for adoption by all three major multilateral environmental agreements.
- (d) Promote dialogue with countries, relevant conventions, focal areas, and donors on the establishment of priority environmental status indicators as part of foundational IW projects. This effort could also be associated with the periodic updating of TDAs.