



Global Environment Facility

Summary of Document GEF/ME/C.33/2

Annual Performance Report - 2007

Recommended Council Decision

The Council, having reviewed document GEF/ME/C.33/2, *GEF Annual Performance Report 2007*, and document GEF/ME/C.33/3, *Management Response to GEF Annual Performance Report 2007*, takes notes of the recommendations and the management response and decides that the GEF Secretariat, in coordination with the GEF Agencies, should conduct a formal and in-depth survey to more accurately and thoroughly assess the GEF Agencies efforts to reduce greenhouse gas emissions.

EXECUTIVE SUMMARY

1. This Annual Performance Report (APR) presents an account of some aspects of project results, of processes that may affect project results, and of monitoring and evaluation (M&E) arrangements in completed projects. Following on previous APRs, this report includes information on GEF project outcomes, sustainability, co-financing, quality of M&E and quality of terminal evaluations. In this APR, the Evaluation Office presents an assessment of the extent capacity development activities in GEF projects are relevant, effective and efficient, and the results and sustainability of results of these activities. It also contains a review of the carbon footprint policies and guidelines of the GEF institutions and agencies. For the first time the Office also presents a “performance matrix,” wherein performance of the GEF implementing agencies (IAs), executing agencies (EAs) and the Secretariat on various parameters tracked by the Office is summarized.
2. The findings presented have several limitations. Most are based on the terminal evaluation reviews, which are in turn based on the information provided by terminal evaluation reports. This introduces uncertainty into the verification process, which the Evaluation Office seeks to mitigate by incorporating in its reviews any pertinent information it has independently gathered through other evaluations. The Evaluation Office is also seeking to improve the independence of terminal evaluation reports by continuing working with the central evaluation units of partner agencies. This year the Office also piloted a methodology to verify the findings of the terminal evaluations in the field.
3. The APR contains the following conclusions:
 - a. The percentage of completed projects with outcome ratings in the satisfactory range is close to the 75 percent target agreed upon in the GEF-4 replenishment agreement.

- b. The materialization of cofinancing reported by the IAs was about three fourths of that promised at project approval.
 - c. The results of capacity development activities in completed GEF projects are generally positive and in some areas significant. However, in many instances the gains made are not sustained. A common underlying weakness in the projects is the tendency to plan and execute training as a “one-shot” solution with little consideration for national or regional context.
 - d. There is strong association between quality at entry of M&E arrangements and actual quality of monitoring during implementation.
 - e. There has been significant improvement in the overall quality of the terminal evaluation reports. However, further improvements are required in reporting of financial information.
 - f. The GEF Agencies are on the right track to addressing the greenhouse gas emissions of their internal operations. However, most are in early stages of developing and adopting a comprehensive greenhouse gas management strategy.
 - g. All 41 verified Council decisions in the Management Action Record show a level of adoption of medium and higher. Of the older Council decisions, 14 out of 27 show substantial progress in the level of adoption versus last year.
4. The following recommendation is formulated:
- a. The GEF Secretariat, in coordination with the GEF Agencies, should conduct a formal and in-depth survey to more accurately and thoroughly assess the GEF Agencies efforts to reduce greenhouse gas emissions.
5. Compared to fiscal year 2006 when 66 terminal evaluation reports of completed GEF projects were submitted to the Evaluation Office, during fiscal year 2007 only 42 were submitted. The Office will investigate why the number of terminal evaluations submitted during fiscal year 2007 was lower than expectations and will report on this in the next APR.
6. The Office will work with the GEF secretariat to develop better systems to track project completion. The World Bank has a system for automatic submission of an electronic copy of the implementation completion reports of its GEF supported projects when such reports are completed. However, other agencies have not yet developed such systems. Consequently, timely information on project completion is not available for most projects. In absence of this information, it is difficult to track compliance with completion and submission of terminal evaluations.
7. The Evaluation Office for the first time presents in this APR a performance matrix, which covers 13 performance parameters. The Council had requested presentation of performance of the GEF partnership and in the APR for fiscal year 2006 a draft performance matrix has been presented. The performance on 9 of the 13 parameters included has been reported in the matrix in this report.
8. The full version of the Annual Performance Report 2007, including the detailed data, reviews, analysis and methodological justification, will be published on the GEF Evaluation Office website at the same time as this Council working document. The Management Actions Records are published separately on the Evaluation Office website.