



## Learning-Oriented Real-Time Impact Assessment (LORTA) window to support learning and measurement within the GCF

Summary of the Approach Paper

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### I. BACKGROUND AND OBJECTIVES

Impact evaluations are excellent tools for measuring overall change as a consequence of investments, learning in real-time and managing projects. At its nineteenth meeting, the GCF Board approved a new programme in the workplan of the Independent Evaluation Unit of the GCF (IEU-GCF). This new programme called the Learning-Oriented Real-Time Impact Assessment (LORTA). LORTA employs state-of-the-art rigorous theory based counterfactual methods to measure change and to mainstream real-time learning into GCF's approved Funding Proposals. The objectives of LORTA include:

- Measuring the overall change (outcome or impact) of GCF'S funded projects and enhance learning.
- Understanding and measuring results at different parts of theories of change.
- Measuring GCF's overall contribution to catalyzing a paradigm shift and achieving impacts at scale.

IEU's LORTA programme will:

- Embed real-time impact evaluations into funded projects/programmes so GCF programme managers can quickly access accurate data on the programme's quality of implementation and likelihood of impact.
- Build capacity within projects to design high-quality datasets for overall impact measurement.

### II. GUIDING PRINCIPLES

Several strategic criteria and guiding principles inform the choice of funded projects for eligibility into LORTA. The final selection is dependent on availability of resources and the strategic learning aims of the IEU-GCF:

- **Innovativeness or importance:** A GCF project will be eligible for LORTA support if it is innovative but lacking adequate evidence, or if it is a 'flagship' GCF programme.
- **Resource need and/or scalability:** The extent to which the project is critical for the overall climate and development objectives of the country and the extent to which there are plans for scaling up.
- **Representativeness of portfolio:** Projects will be selected so that there is some balance of adaptation and mitigation activities from both the private and public sector. However not every phase of LORTA will contain this representative mix.
- **Capacity needs:** Programmes selected will depend on the capacity among programme staff, including existing capacity in the implementing agency to actualize and deliver designs and buy-in and support from project support to help design and implement LORTA designs.



- **Flexibility and adaptability:** LORTA will be tailored to the specific project and adapted to the specific institutional context. Buy in and deep engagement is required in this context.
- **Timing:** The timeline of the project and timing of the evaluation will determine what results and outcomes should be focused on. Initially, evaluations should focus on outcomes that are quick to show change. Evaluations of long-term outcomes may span beyond the project cycle.

### III. KEY LEARNING QUESTIONS

LORTA will help GCF-funded projects answer the following questions:

- How much change is attributable to GCF's investment? For whom did the change occur, how, why, and how much did it cost?
- What is the distribution of gains and losses (heterogeneity)? Were there any unintended positive or negative consequences?
- How can results be applied in real-time to improve the likelihood of success and help entities and staff adapt quickly?

### IV. METHODS

LORTA will employ mixed-methods approaches that involve both quantitative and qualitative methods. LORTA will measure the overall change a funded project makes to a key GCF result area.

LORTA will use theory-based counterfactual impact assessment approaches that use experimental or quasi-experimental designs. Experimental designs involve random assignment of an intervention to a treatment and a comparison group. Quasi-experimental designs employ statistical techniques that aim to mimic random assignment. LORTA will employ fit-for-purpose statistical strategies and adequately powered sample sizes to measure changes in key results or impact indicators relevant to the funded activity and to GCF result areas. Designs will account for common threats to causal validity, such as programme placement bias, confounding, sample selection bias, performance bias, spillover bias, contamination bias, as well as biases in data collection and reporting. The real-time measurement systems and qualitative data systems established for the impact evaluation designs will help project teams measure progress in implementation and provide rapid lessons on the early progress of the programmes.

### V. TIMELINE

As a multi-year programme, LORTA will require a combination of resources from IEU and project budgets. Project budgets are expected to cover a large part of data collection. IEU's budgets will supplement with technical assistance to cover the cost of formative work, designing systems for impact evaluations and real-time measurement as well as analyses costs. LORTA is organized in three phases:

- **Phase I – formative engagement and design:** In the first year (2018), IEU will support 4-6 GCF programmes to build high-quality, theory-based impact evaluation designs at inception. Formative work will include engagement with project teams, Accredited Entities (AEs), and GCF staff, designs for theory-based impact evaluations, and protocols for database development.



- **Phase II – impact assessment:** The second phase of LORTA will involve the main impact assessment stage (3-5 years) and include survey pilots, implementing measurement and tracking systems, collecting baseline and end line data, and continuous monitoring of real-time learning.
- **Phase III – data analysis and feedback:** The final stage will involve analyzing baseline and end line data analysis (both qualitative and quantitative), discussing results and engaging with diverse stakeholders to share results and incorporate feedback as required.

## VI. SUGGESTED READING

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