



Independent Assessment of the Green Climate Fund's Environmental and Social Safeguards (ESS)

1. Context

The Green Climate Fund (GCF) is required to effectively and equitably manage environmental and social risks and improve the outcomes of all funded activities. To this end, the GCF has adopted an Environmental and Social Management System (ESMS), comprising the Environmental and Social Policy and a set of internationally recognised Environmental and Social Safeguards (ESS) standards. These environmental and social impacts are assessed and managed to foster co-benefits. In the 2019 work plan of the Independent Evaluation Unit (IEU) approved at the 21st Board Meeting, the GCF Board requested the IEU to conduct an independent assessment of the GCF's ESS and ESMS.

2. Purpose

The ESS assessment will inform the GCF Board, the Secretariat and all stakeholders on how well the current ESMS serves to:

- Prevent, mitigate and manage potentially adverse environmental and social impacts of the GCF's activities, programmes and projects;
- Improve the environmental and social performance of the Fund and its portfolio over time; and

- Assist with the design and implementation of GCF projects.

3. Scope

The evaluation aims to:

- Determine how the GCF's ESMS aligns with the safeguard systems used within the climate change development finance community;
- Identify how the ESMS links with other GCF policies, business model, institutional structure, decision-making process and operations;
- Assess how environmental and social risks and co-benefits are monitored and reported during project implementation;
- Highlight actual and likely environmental and social results and impacts of the GCF's investments;
- Distinguish options to modify or update the current interim ESS standards; and
- Assess potential of the ESS for focusing more on 'doing good' beyond 'doing no harm'; and discern if the ESMS is equipped to respond to the evolving GCF portfolio.



4. Methods

The assessment employs the following data sources and methods:

- **Document review and process analyses** to inform how ESMS works within the GCF and how environmental and social aspects are taken into account in the overall project cycle;
- **Portfolio and data analysis** to inform how the GCF portfolio has evolved and adopted best practices with respect to safeguard standards over time;
- **Benchmarking** that compares ESMS of the GCF with those of eight selected comparator organizations;
- **Stakeholder consultations** via key informant interviews to the Secretariat, private sector organizations (PSOs), civil society organizations (CSOs) and other related stakeholders, focus group discussions, an online perception survey and an in-person survey during country visits; and
- **Country case studies** that intensively look at the application of ESS in GCF recipient countries based on country missions.

5. Country missions

Seven countries will be visited between May - July 2019, including Peru, Paraguay, Kazakhstan, Sri Lanka, Samoa, Zambia and Morocco.

The purpose of these visits is to inform a more in-depth and grounded understanding of how ESS has been applied in projects under implementation and their likely impacts and co-benefits.

The criteria for country selection include:

- Diversity with respect to themes of mitigation, adaptation or cross-cutting;
- Representativeness of public and private projects;
- Range in project sizes;
- Geographical distribution of the GCF portfolio

in Africa, Least Developed Countries, Small Island Developing States; and

- Representation of direct and international accredited entities.

Country missions

IEU country missions are conducted by members of the IEU and the supporting consultancy firm. GCF country focal points, accredited entities, delivery partners, PSOs, CSOs and other relevant parties are requested to support the IEU assessment by:

- Engaging in consultations with the assessment team; providing documentation associated with the assessment;
- Advising and helping to set up consultations with relevant parties; and
- Facilitating the team's exposure to project sites and end-beneficiaries.

All responses are treated confidentially and released anonymously (after consent is obtained).

A country mission report is circulated among relevant stakeholders at the end of each mission for review and fact checking. All country reports are annexed to the final report.

Finally, it is important to note that the country missions are not evaluations of country performance nor of the projects and programmes in a country (unless noted otherwise).

6. Output and timing

The inception report and benchmarking study for this assessment are due in May 2019. The report on portfolio analysis will be delivered in June. The final evaluation report will be submitted to the Board at its 24th meeting in October 2019.

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