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# Report on the activities of the Independent Evaluation Unit

## Summary

This document provides a report of the key activities of the Independent Evaluation Unit (IEU) for the period of 1 January to 30 April 2025. It reports on the IEU's outputs and achievements in line with the Board-approved work plan for 2025.

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## I. Introduction

1. This report highlights the key activities and outcomes of the Independent Evaluation Unit (IEU) between 1 January and 30 April 2025 in implementing its “Work Plan and Budget and Update of its Three-year Rolling Objectives” as approved by the Board (Decision B.40/14<sup>1</sup>).

2. This activity report is organized as follows:

(a) Section I: Introduction

(b) Section II: Report on key activities

(c) Supporting annexes

Annex I: Budget and expenditure report

Annex II: List of IEU publications and communications materials that were published in the reporting period

Annex III: List of IEU events and engagements with stakeholders and partners in the reporting period

Annex IV: Progress of impact evaluations during the reporting period

Annex V: Evaluability assessment of the Green Climate Fund’s funding proposals

## II. Report on key activities

3. The Unit’s main activities undertaken during the reporting period of 1 January to 30 April 2025 are structured around the following strategic objectives of the IEU:

(a) Objective 1: Undertake and deliver high-quality evaluations to the GCF Board

(b) Objective 2: Build and deliver evaluation-based learning, advisory, and capacity-strengthening services

(c) Objective 3: Engage strategically to learn, share, and adopt best practices in the climate change and evaluation space

(d) Objective 4: Strengthen and position the IEU in the Fund and in its ecosystem

### 2.1 Objective 1: Undertake and deliver high-quality evaluations to the GCF Board

4. As derived from the GCF Governing Instrument, the Terms of Reference (TOR) of the IEU<sup>2</sup> mandates the Unit to conduct periodic independent evaluations of the GCF’s activities to provide objective assessments of the Fund’s results, effectiveness, and efficiency. The types of independent evaluations include performance evaluations, thematic evaluations, portfolio evaluations, country portfolio evaluations, programmatic and project-based approach evaluations, and impact evaluations. These evaluations inform decision-making of the Board and the Fund on policies and strategies and provide strategic guidance and support learning across the Fund. The overall criteria used in independent evaluations are relevance, effectiveness, efficiency, impact, sustainability of projects and programmes, coherence in climate finance delivery with other multilateral entities, gender equity, country ownership of

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<sup>1</sup> Work programmes and budgets of the independent units for 2025–2027, <https://www.greenclimate.fund/decision/b40-14>

projects and programmes, innovativeness in result areas, replication and scalability, and lastly, unexpected results, both positive and negative.

### 2.1.1 Completed independent evaluations

5. In the reporting period, the IEU submitted two independent evaluations—the independent evaluation of the GCF’s result area ‘Health and Well-being, and Food and Water Security’ and the independent evaluation of the GCF’s approach to Indigenous Peoples—to the Board for its active consideration at B.41 in February 2025.

6. **Independent Evaluation of the GCF’s result area ‘Health and Well-being, and Food and Water Security’ (HWWF).**<sup>2</sup> This evaluation was launched in 2024 with the Board approval of the 2024 work plan of the IEU. In decision B.29/01, the Board approved the integrated results management framework (IRMF), which identifies eight results areas that originate from the GCF mitigation and adaptation logic models of the initial results management framework (IRMF). The evaluation examined the HWWF result area of the IRMF, its portfolio, and the GCF’s overall result areas approach. In the first week of December 2024, the IEU organized webinars for the GCF Board, Secretariat, CSOs/PSOs and the accredited entities to present key conclusions and emerging areas of recommendations. In the reporting period, the IEU also discussed the areas of recommendations with representatives of the Secretariat, in particular the Office of the Chief Strategy and Impact Officer.

7. The evaluation found that while HWWF RA-tagged projects are seen as relevant and generate positive emerging outcomes, the GCF’s RA approach was found to be inconsequential in their achievement. There is no systematic approach to aggregate co-benefits generated by GCF projects at the fund level to date. Furthermore, the cross-sectoral nature of the HWWF RA itself is at odds with the GCF’s new sector orientation as an organization. The lack of health indicators at the GCF is inconsistent with the growing recognition of the health-climate change nexus. Lastly, the unclear purpose of result areas overall raises questions about their continued relevance and utility within the GCF. The IEU recommends the following: a) rearticulate the purpose and use of result areas; b) based on such review, provide a comprehensive guidance on the use of the RAs internally and revisit results reporting; c) operationalize the use of RAs at country level and for AEs; d) advance monitoring and reporting practices in relation to cross-cutting priorities; and lastly, e) consider integrating health in climate finance. At B.41, the Board discussed and noted the conclusions and recommendations of this independent evaluation as well as the Secretariat’s management response.

8. **Independent Evaluation of the GCF’s Approach to Indigenous Peoples.**<sup>3</sup> This evaluation was launched in 2024 in line with the Board-approved 2024 work plan of the IEU. The evaluation assessed the relevance and effectiveness of the GCF’s approach to and consideration of Indigenous Peoples in GCF programming. It also provided inputs to inform the review of GCF’s Indigenous Peoples Policy (IPP). The key stakeholders included the Board of the GCF, Secretariat, GCF beneficiaries and Indigenous Peoples groups, along with NDAs, AEs, and other entities of the GCF ecosystem, including the Indigenous Peoples Advisory Group (IPAG). In the reporting period, the IEU also discussed the areas of recommendations with representatives of the Secretariat, in particular the Office of the Chief Strategy and Impact Officer and the Office of the Chief Investment Officer.

9. The evaluation concluded that the GCF’s approach to IPs remains largely protective—focused on avoiding harm—rather than proactively empowering IPs as climate actors in their

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<sup>2</sup> Link: <https://ieu.greenclimate.fund/evaluation/HWWF2024>

<sup>3</sup> Link: <https://ieu.greenclimate.fund/evaluation/IP2024>

own right. The absence of dedicated financing mechanisms, coupled with limited implementation oversight and weak data systems, constrains the transformative potential of the IPP. The evaluation underscores the gap between strong policy intent and weak operational delivery, driven in part by structural limitations within the GCF's business model and by insufficient internal incentives for IPs' inclusion. The IEU recommends the following: a) continue to reinforce the IPs Policy and operational guidelines; b) establish mechanisms and provide financial and technical support, in particular when considering the RPSP and PPF; c) within the Fund's second-level due diligence role, address limitations in compliance oversight and ensure flexibility; d) consider a specific IPs window or programme; and e) clarify its strategic position on IPs. At B.41, the Board discussed and noted the conclusions and recommendations of the independent evaluation and the Secretariat's management response.

10. The Evaluation Policy of the Fund prescribes a set of institutional arrangements, roles, and responsibilities. The Board receives independent evaluations and assessments, undertaken by the IEU as per the Board approved work plan, and also receives management responses from the Secretariat. The Board is expected to actively consider evaluation findings and recommendations and to incorporate them into their policies and overall advice. Following decision B.39/16<sup>4</sup>, the Board requested the IEU to append the response matrix of comments received to the evaluation report to inform future relevant Board discussions. The IEU has discussed and finalized such a response matrix, and currently awaits further guidance and clearance by the Co-chairs on this item. The Board will also receive management action reports prepared by the IEU to ensure uptake and accountability. The IEU is currently preparing several management action reports.

## 2.1.2 Ongoing independent evaluations

11. During the reporting period, four independent evaluations and syntheses, including the Third Performance Review (TPR) of the GCF, progressed in line with the IEU's 2025 work plan and budget, as approved at B.40. Since January 2025, evaluations were launched, and their methods and approaches were presented to key stakeholders, including the GCF Board and the Secretariat, in March through evaluation webinars. In addition, the IEU also began its engagement with the Risk Management Committee (RMC). The IEU presented and discussed the selection process of 2026-2027 evaluation topics and presented the approach and scope of the TPR in May 2025. All evaluations, reviews and syntheses are being led by the IEU and its staff. In order to ensure the effective and efficient use of skill sets within the unit, the evaluation teams comprise IEU staff from all four workstreams. Some components of these evaluations are also supported by external subject matter experts, and international and local senior evaluation experts. The procurement processes for these experts were completed before the end of April. Due to unforeseen staff gaps, stretch assignments and hiring delays, some adjustments to evaluation processes were made. The IEU decided to prioritise the timely completion of the independent evaluation of the GCF's country ownership approach. With this decision, the Simplified Approval Process (SAP) evaluation and the Country Ownership evaluation are both planned to be submitted to the Board in time for the last Board meeting of 2025.

12. **Independent evaluation of the GCF's country ownership approach.**<sup>5</sup> In agreement with the Secretariat, this evaluation is expected to feed directly into the policy process and supports the updating of country ownership guidelines of GCF. The iterative feedback process between the evaluation and the relevant programme is primarily designed to support learning and management decision-making. As an initial deliverable, the evaluation team produced and

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<sup>4</sup> Link: <<https://www.greenclimate.fund/decision/b39-16>>

<sup>5</sup> Link: <<https://ieu.greenclimate.fund/evaluation/coa2025>>

shared a synthesis of previous IEU evaluations and relevant literature on country ownership to serve as a baseline for the main evaluation report and analysis. At B.41, the IEU also engaged with the Board and Secretariat directly to present initial reflections on country ownership at the IEU's Board side event. Following B.41 and the side event, the IEU sought additional feedback from Board members, advisors, AE representatives, active observers and the Secretariat, which supported the finalization of the inception phase of this evaluation. The resulting product, the evaluation approach paper, was finalized and published in May 2025.

13. The primary impetus for this evaluation is the GCF Board's decision to review and update its country ownership guidelines in 2025, after several years of operational experience and institutional change. The first independent evaluation of the GCF's country ownership was completed in 2019, but its findings have not yet been comprehensively acted upon via new Board decisions or updated policies. The 2017 guidelines have remained in effect without revision since their approval at B.17. There is a demand from the GCF's governance system for up-to-date evaluative evidence on country ownership to guide policy improvements. Given the lapse of time since the last evaluation on country ownership and the significant developments made in the interim, the current evaluation is expected to update and deepen the analysis of how the GCF promotes country ownership and what more can be done. The IEU has three specific evaluation objectives: a) assess performance of the GCF's country ownership approach and provide a credible assessment of how well the current approach is promoting country ownership of programming; b) generate actionable evidence and analysis to directly inform the drafting of the updated guidelines for country ownership; and c) derive lessons for broader uptake and synthesize lessons learned about country ownership that are useful not only for the GCF but also for a wider audience.

14. **Independent evaluation of the GCF's approach to and portfolio of climate information and early warning systems interventions.**<sup>6</sup> During the reporting period, the IEU concluded an extensive inception phase of this evaluation. The evaluation team hosted several discussions and workshops together with senior specialists at the GCF, to refine the scope and inform the evaluation matrix. During the inception, the evaluation team also held an internal workshop together with the external experts to discuss the evaluation approach and methods. The evaluation approach paper will be published by the end of May 2025. The scope of this evaluation is to assess both the realized and potential impacts and effectiveness of GCF interventions from a sample of climate information and early warning system (CIEWS) projects. The evaluation team will also tap into and leverage the IEU's impact evaluations of GCF projects through the LORTA programme. It will also evaluate the extent to which the GCF complements efforts in climate information and early warning system interventions of other climate funds and international organizations at the fund-, intervention-, and country levels. The final evaluation report will be submitted in time for the first Board meeting in 2026.

15. **Independent synthesis on the GCF's approach to gender.**<sup>7</sup> At B.40, the Board approved an independent synthesis on the GCF's gender approach, as preparatory work on synthesizing the existing evaluative evidence from previous independent evaluations, assessments, reviews, and studies. This synthesis will inform the future independent evaluation of the GCF's approach to gender, subject to approval by the Board. During the reporting period, the evaluation team held an internal workshop to refine its approach. The evaluation team also held several key informant interviews with former and current staff of the GCF, to review the policy evolution, discuss the implementation of the gender policy at the design, implementation as well as monitoring and reporting stages of the project cycle. The evaluation team also interviewed the Secretariat's management team to discuss strategic and operational directions

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<sup>6</sup> Link: <<https://ieu.greenclimate.fund/evaluation/ciews2025>>

<sup>7</sup> Link: <<https://ieu.greenclimate.fund/evaluation/ga2025>>



of the Fund. During the reporting period, the evaluation concluded the inception phase of this synthesis with the publication of a brief approach paper, outlining its scope and timeline. The IEU will make available the final report of the independent synthesis in time for the last Board meeting of 2025, while the final report of the independent evaluation of the GCF's approach to gender will be submitted to the Board in time for the last Board meeting of 2026, subject to Board approval.

16. **Third performance review of the GCF.**<sup>8</sup> The third performance review of the GCF was launched following decision B.40/14 of the GCF Board. The review independently assesses the GCF's performance during GCF-2 and to inform the review of the strategy for GCF-3, as well as replenishment. The performance review will assess the GCF's progress in delivering its mandate as set out in the Governing Instrument during GCF-2 and will be informed by a synthesis of previous IEU evaluations and global evidence reviews. During the inception stage (from December 2024 to April 2025), the IEU defined the scope, timelines, and any external expertise required, alongside initial consultation with relevant stakeholders. In April 2025, an external consultancy firm was procured to support the review. The IEU consulted with the Risk Management Committee of the Board of the GCF on the preliminary approach to the review, which includes methodology, schedule, and deliverables. At the early stage, five broad areas of assessment are envisaged, as follows: i) GCF as institution in the multilateral system, ii) GCF as an organization (strategy, policy, operational), iii) GCF as a funding agency, iv) GCF implementation and progress, and v) GCF impact. By October 2025, the IEU will conclude the inception phase and an approach paper will be made public, along with other deliverables of this performance review.

17. **Learning-Orientated Real-time Impact Assessments (LORTA).** The LORTA portfolio focuses on measuring impact in areas aligned with the GCF's strategic plan, while also addressing key evidence gaps. Since 2018, the IEU has provided support and advisory services in designing impact evaluations, developing indicators, conducting data collection, and performing analyses to ensure credible and robust assessments of components within GCF-funded activities.

18. Currently, the LORTA portfolio focuses on impact measurement in the areas of natural resources management, climate resilience, early warning systems, sustainable agriculture, and food security. The focus areas of the LORTA programme are aligned with the GCF's USP-1 and USP-2, as well as the IEU's 2025 work plan. These areas have been identified as priorities, and the Fund must build evidence to address existing knowledge gaps. In 2024, the IEU has actively supported and provided advisory services to the following GCF projects:

- (a) Design: FP179 Tanzania (CRDB), SAP021 Timor-Leste (JICA), SAP031 Brazil (Avina), FP192 Barbados (CCCCC)
- (b) Data collection: SAP021 Timor Leste (JICA), FP068 Georgia (UNDP) for baseline data; FP087 Guatemala (IUCN) for midline data; FP101 Belize -BYG (IFAD), FP026 Madagascar (CI) and FP034 Uganda (UNDP) for endline data.
- (c) Analysis and reporting: SAP023 Mexico (FMCN) for baseline report; FP073 Rwanda (MoE), FP026 Madagascar (CI) for midline report; FP060 Barbados (CCCCC) and FP101 Belize-BYG (IFAD) for endline report.

19. During the reporting period, the IEU has published and shared with the Board a summary report of the LORTA portfolio in 2024. The IEU has also recorded several key learnings from the impact assessment work.

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<sup>8</sup> Link: <<https://ieu.greenclimate.fund/evaluation/tpr2025>>

- (a) Learning 1. A clear and consistent definition of resilience is essential for effective climate interventions and impact measurement. Based on the LORTA learnings and experience, resilience is shaped by the context of negative events and fundamental building blocks, as key elements underpinning a system's resilience differ between contexts. It is also shared by temporal dynamics, as resilience is time-bound.
- (b) Learning 2. Reliable and comprehensive data systems are essential for effective project monitoring and impact evaluation. However, such systems are lacking in many contexts, and data availability remains limited. This challenge extends beyond the data needed for impact assessments and applies to project monitoring and national statistics as well.
- (c) Learning 3. Expanding the learning loop beyond the Secretariat and circling it back to the field needs further attention. Effective engagement with the GCF Secretariat has demonstrated how impact evaluation findings can potentially inform project design and strategic planning. While efforts such as multiple IEU learning talks and dialogues with the Secretariat have laid the groundwork, there is still room for further improving and strengthening these feedback loops within the GCF and its ecosystem.
- (d) Learning 4. Adapting LORTA approaches to explore learning opportunities from local contexts is key for successful impact evaluations. The team introduced alternative data sources and methods to strengthen the impact evaluation framework. Geospatial, normalized difference vegetation index and nightlight data are being utilized to improve matching between treatment and comparison villages. Community leader surveys are also underway to understand the pre-trend differences across 100 villages, helping to improve the comparability between the treatment and comparison households.
20. Further details about each of the IEU evaluations are summarized in the table below.

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**Objective 1: Undertake and deliver high-quality evaluations to the GCF Board**

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Sub-Objectives	2025 Key Deliverables	Progress During the Reporting Period
<b>Independent Evaluations</b>	Independent evaluation of the GCF's Simplified Approval Process (SAP)	<b>Timeline adjusted:</b> In the reporting period, and after completing the inception phase and approach paper, the evaluation team finalized the data collection and analysis phase, and delivered the factual draft of the evaluation report to the Secretariat on 7 April 2025. Following a capacity and needs assessment in March 2025, the IEU decided to prioritize the Country Ownership evaluation, as it directly informs the updating of the country ownership guidelines. Both evaluations, the country ownership evaluation and the SAP evaluation, will be submitted ahead of B.43.
	Independent evaluation of the GCF's approach to country ownership (COA)	<b>On Track:</b> A synthesis of relevant IEU evaluations and literature was finalised and presented at the B.41 side event. The evaluation approach paper was shared with the Secretariat in May 2025. The final evaluation report will be submitted in time for B.43.
	Independent synthesis of	<b>On Track:</b> This synthesis consolidates existing evaluative evidence of gender mainstreaming efforts at GCF. During the reporting period,

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	the GCF's approach to gender	the IEU held an internal workshop together with gender expert consultants and identified relevant GCF policy documents and findings from past evaluations. The evaluation team also conducted initial interviews with the GCF Secretariat. The synthesis report will be submitted in time for B.43.
	Independent evaluation of the GCF's approach to and portfolio of climate information and early warning systems (CIEWS) interventions	<b>On Track:</b> The evaluation team held workshops, focus group discussions with senior specialists of the GCF Secretariat, and commenced a policy and literature review. The approach paper was shared with the Secretariat in May 2025. The final evaluation report will be submitted in time for the first Board meeting of 2026.
<b>Performance Review</b>	Third Performance Review (TPR) of the Green Climate Fund	<b>On Track:</b> The performance review assesses the GCF's progress in delivering its mandate during GCF-2 and will be informed by a synthesis of previous IEU evaluations. During the reporting period, several workshops with the external experts were held to refine the scope and approach. The evaluation approach was presented and discussed with the RMC of the GCF Board.
<b>Impact Evaluations</b>	Learning-Orientated Real-time Impact Assessment (LORTA)	<b>On Track:</b> The LORTA portfolio focuses on impact measurement in the areas of natural resources management, climate resilience, early warning systems, sustainable agriculture, and food security. The focus areas of the LORTA programme are aligned with the GCF's USP-1 and USP-2, as well as the IEU's 2025 work plan. These areas have been identified as priorities, and the Fund must build evidence to address existing knowledge gaps. Further details can be found in Annex IV of this report on activities of the IEU.

## 2.2 Objective 2: Build and deliver evaluation-based learning, advisory, and capacity-strengthening services

21. **Reviews and syntheses.** The GCF's Evaluation Policy mandates the IEU to promote learning and dialogue by disseminating knowledge and lessons learned. In line with this mandate, the IEU consolidates and synthesises global evidence on climate-related topics relevant to the Fund and produces synthesis and learning papers. Evidence reviews are based on a structured literature search, appraise the quality of evidence and illustrate the evidence base and gaps in a comprehensive manner. The IEU has so far completed 10 evidence reviews to date on forestry conservation interventions, climate change adaptation, private sector instruments in mitigation, results-based payments, transformational change, women's empowerment in developing countries, behavioural science in climate, market-based mechanisms, just transitions and water sector interventions.

22. During the reporting period, the IEU finalized the protocols of the evidence gap map, which is one of the two main deliverables of the global evidence review on forest conservation. The IEU is currently finalizing the systematic review on forest conservation. The protocols, evidence gap map, and systematic review will help inform the Fund on what works, what doesn't, and for whom from a global perspective. The IEU established an advisory group for this systematic review, consisting of subject matter experts and senior specialists of the GCF Secretariat. While the planned evidence review on the private sector has been delayed due to capacity constraints until May 2025, it remains intended to support the design and scope of a future independent evaluation of the GCF's approach to the private sector.

23. The IEU also launched a synthesis on monitoring, evaluation and learning. The objective is to assess and synthesise the findings from evaluations, reviews, and other related reports, to provide a comprehensive understanding of the status of the results management at the Fund. The synthesis aims to identify best practices, lessons learned, and areas for improvement to inform future project planning, implementation and tracking of results and impacts at the Fund level. The synthesis will also speak about the quality of data management and systems. The methods used in this synthesis include a systematic review of existing evidence, qualitative analysis of key themes and patterns, and quantitative analysis of performance indicators. Stakeholder interviews and focus group discussions will be conducted to gather insights and validate the findings of this synthesis. Findings of this synthesis will help inform future independent evaluations undertaken by the IEU. The synthesis approach was shared in several webinars to the GCF Board, Secretariat, and AEs/CSOs, held in March 2025.

24. **Learning Talks and workshops.** The IEU's learning talks, workshops, and the GCF's structured dialogues are key channels for sharing evaluation findings and insights on climate-relevant issues, and for nurturing a culture of evidence use across the Fund and its ecosystem. During the reporting period, the IEU did the preparatory work to resume its internal-facing learning talks as early as in May 2025, so that it can continue to support the feedback loops, learning and dialogue across the Secretariat, Independent Units and other stakeholders of the ecosystem. The IEU plans to hold its annual LORTA impact evaluation design workshop in Nairobi, Kenya in the second half of the year, to engage directly with selected AEs, including project managers and monitoring and evaluation specialists, and critically review and discuss designing and conducting high-quality impact evaluations. A separate expert session of specialists from the academia, international organizations, and climate funds will be held back-to-back with the aim of developing a comprehensive framework for defining and measuring climate resilience. This year's impact evaluation design workshop will take place in collaboration with the UNEP's Evaluation Office.

25. Supporting the implementation of the GCF Evaluation Policy, the IEU has developed a series of evaluation training for AEs and country partners. Based on the capacity needs assessment conducted by the IEU in 2023, the Unit has also continued its work on developing dedicated online evaluation training modules. The Unit continues to discuss these modules with the GEF independent evaluation office to align and ensure coherence and complementarity. Based on the IEU's capacity needs assessment and the delineation of roles and responsibilities between the IEU and DMEL, the IEU has further tailored its training segments for a more focused capacity building effort in a particular context. The IEU aims to support the Secretariat's capacity building efforts for the monitoring and evaluation functions of AEs.

26. In the reporting period, the IEU and DMEL developed, in close collaboration, a document delineating their roles and responsibilities. The document underscores that good monitoring is a sine qua non for effective evaluations. Given the monitoring, evaluation – Secretariat-led or IEU-led independent – and learning functions described above, the DMEL and IEU have complementary roles within the GCF. These roles are distinct and support each other. Some key conclusions include the following: a) robust monitoring data is imperative for undertaking

credible and robust independent evaluations; b) an iterative learning loop of Secretariat-led evaluations provides important evidence bases for independent evaluations, and vice versa; and c) evaluation capacity building is key to promote a mature evaluation culture. The Secretariat is expected to take the lead in building the capacity of AEs to prepare robust and credible midterm and terminal AE-led evaluations. Considering a lean and cost-effective operation, the IEU also continues to coordinate with the GCF Secretariat to present the capacity building components of its work on the margins of the Secretariat-led Structured Dialogues of the GCF.

27. **Evaluability and quality assessment.** In accordance with the Evaluation Policy and the IEU's terms of reference, the IEU is mandated to attest to the quality of the self-evaluations that were conducted by the AEs. This includes assessing the evaluability of funding proposals at entry and the quality of AE-led evaluations. During the reporting period, the IEU completed the evaluability assessment covering the funding proposals approved during 2023. Since 2018, the IEU has undertaken periodic evaluability assessments of GCF's funding proposals and their ability to credibly measure impact. The evaluability assessment is based on a set of criteria, including but not limited to theory of change, causal pathways, potential for measurement of causal change, implementation fidelity and performance against investment criteria, data collection and reporting credibility, and monitoring and evaluation (M&E) plan and budget. The evaluability assessment was finalized in the first quarter of 2025. The fourth version of the evaluability assessment will be finalized by the end of the third quarter of 2025. The evaluability assessment can be found in Annex V of this activities report.

28. Following the compliance risk policy and the administrative guidelines on internal control, the IEU will perform its function of acting as the third line of defence in ensuring effective internal control of the Fund. In fulfilling its mandate of quality assurance through evaluations, the IEU has developed an approach for the quality assurance of AE-led evaluations of GCF-funded activities. This approach aims to assess the quality of the interim and final evaluation reports of GCF projects submitted by the Accredited Entities. The quality assessment tool follows evaluation principles set out in the Evaluation Policy and the evaluation standards of the GCF.

29. During the reporting period, the IEU finalized the evaluation quality assessment (EQA) methodology by benchmarking leading practices from comparable organizations and reviewing GCF policies and guidelines on monitoring and evaluation. This work culminated in the design of an EQA tool, featuring structured rating criteria aligned with the standards and criteria set out in the GCF Evaluation Policy. The tool was piloted on five AE-led evaluation reports, and feedback from that exercise was incorporated to refine the instrument. The IEU team currently applies the tool to a representative sample of seventeen AE-led interim and final evaluation reports, drawn from a population of 53 interim and seven final evaluations cleared by the Secretariat. A full EQA report, complete with the final assessment tool, detailed guidance, and training materials for conducting EQAs will be finalized in the second half of 2025.

30. A summary of the progress made on the key deliverables under this objective is provided in the table below.

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**Objective 2: Build and deliver evaluation-based learning, advisory, and capacity-strengthening services**

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Sub-Objectives	2025 Key Deliverables	Progress During the Reporting Period
<b>Synthesis, evidence</b>	Synthesis on monitoring,	<b>On Track:</b> This report will synthesize evidence and findings from past IEU evaluations, GCF policies, as well as practices and challenges

<b>reviews and learning papers</b>	evaluation and learning	related to M&E matters within the GCF ecosystem. The approach was shared with the Board, Secretariat, and AEs/CSOs through webinars in March 2025. The synthesis report will be made available in the second half of 2025.
	Global evidence reviews on forest conservation	<b>On Track:</b> The global evidence gap map on forest conservation, one of the two key deliverables of the global evidence review, has been completed. The systematic review is currently undergoing revisions and is expected to be finalized by the first half of 2025.
	Evidence review engagement in climate finance	<b>Delayed:</b> The planned evidence review was delayed due to capacity of private sector constraints until May 2025. However, once it proceeds, the review is expected to support the design and scope of a future independent evaluation of the GCF's approach to the private sector.
<b>Learning Talks</b>		<b>On Track:</b> The IEU hosts learning talks. In May 2025, the IEU presented findings from two recent impact evaluations on FP026 in Madagascar and FP101 in Belize about how we build resilience in climate-vulnerable communities. Going forward, the talks will be organized to contribute evaluative evidence to ongoing programming and policy debates within the GCF and in the broader climate finance landscape.
<b>Advisory</b>	Impact evaluation design (LORTA) workshop	<b>On Track:</b> The IEU will hold its annual impact evaluation design workshop in Nairobi, Kenya, in the second half of 2025, to engage directly with selected AEs, including project managers and monitoring and evaluation specialists, and to critically review and discuss designing and conducting high-quality impact evaluations. The workshop will also include a session on climate related concepts, such as climate resilience.
<b>Evaluation capacity building</b>	GCF's Regional and Structured Dialogues	<b>On Track:</b> In line with the delineation of roles between the IEU and the Secretariat, the IEU will deliver capacity strengthening activities that are closely aligned with its mandate, particularly those related to the evaluation policy, standards, and other areas central to independent evaluations. Where feasible and appropriate, the IEU will continue to participate in GCF structured dialogues. However, the IEU chose not to attend two regional structured dialogues in person but shared relevant materials to contribute to the discussions.
<b>Quality Assurance</b>	Evaluability assessment of funding proposals	<b>On Track:</b> The IEU has continued to assess the quality of the GCF's funding proposals at entry through evaluability assessments. During the reporting period, the IEU finalized the evaluability assessment, covering funding proposals approved during 2023. The findings indicate that overall evaluability has improved over time, reflected in a decline in high-risk ratings. The assessment findings are summarized in Annex V.
	Quality assessment of	<b>On Track:</b> During the reporting period, the IEU finalized the evaluation quality assessment methodology by benchmarking leading practices from comparable organizations and reviewing GCF policies and

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AE-led project evaluations	guidelines on monitoring and evaluation. Currently, the IEU applies the tool to a representative sample of seventeen AE-led interim and final evaluation reports, drawn from a population of 53 interim and seven final evaluations that are cleared by the Secretariat. The final assessment report will be made available in the second half of 2025.
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## 2.3 Objective 3: Engage strategically to learn, share, and adopt best practices in the climate change evaluation space

31. In 2025, the IEU aims to further strengthen its strategic outreach and targeted knowledge management, dissemination, and uptake practices. With the IEU's role as an evidence and knowledge broker, firstly, the IEU will continue to produce new content formats for more effective Board engagement and reporting. Secondly, the IEU aims to strengthen efforts to increase the uptake of independent evaluations and syntheses and encourage learning within the ecosystem and the international space. Thirdly, the IEU aims to strengthen its strategic outreach to existing and new partners and networks in the climate, environment, and evaluation space.

32. **Stakeholder engagement.** In order to ensure that high-quality evidence, evaluations' findings and recommendations are effectively communicated, disseminated, and used, the IEU focuses on four main areas of activities: publications, design, editing and translations; website and social media engagement; outreach; and lastly, strategic engagement with partners. In the reporting period, the IEU has held side events, webinars, and workshops, reaching broader audiences - including GCF Accredited Entities, civil society organizations, research institutions and evaluation networks. The IEU actively engaged with the GCF Board and organized a side event at B.41 on country ownership and held approach webinars on three ongoing evaluations to gather early feedback from the Board, Secretariat and AEs. The IEU produced a periodic e-newsletter (What's New with the IEU) to inform stakeholders of the current status of its work, in particular the recent evaluative and learning work, and to share and disseminate lessons learnt in the timeliest manner. To ensure transparency and access, all evaluation products are published on the IEU's microsite and social media. While the Head decided to decline several invitations to evaluation workshops and the Sri Lanka Evaluations Conclave due to capacity constraints, the IEU actively participated in virtual meetings of evaluation and climate networks to share evaluation findings and stay up to date with the latest evaluation methods.

33. **Engagement with climate and evaluation networks.** During the reporting period, the IEU also strategically engaged with the four Climate Funds. After an AI scoping study in 2024, a new joint initiative will pilot the use of artificial intelligence (AI) applications in evaluating forestry-related climate change projects. The four Climate Funds are also jointly working on developing guidelines for the ethical use of AI in climate evaluations. Both joint products are scheduled to be finalized in 2025.

34. The IEU will continue to contribute to the **Global SDG Synthesis Coalition** work as a Co-Chair of the Planet Pillar, assessing and synthesizing the evidence on the implementation of five sustainable development goals (SDGs). In the reporting period, the Planet Pillar has published a scoping study named "What do we know about the evidence base for the SDG Planet Pillar?", to assist the Coalition to identify specific topics for which living syntheses, with the potential for catalytic change, could be produced, and to examine the overall body of evidence and gaps in knowledge.<sup>9</sup> The members of the Planet Pillar, co-chaired by the IEU and the Evaluation Office of UNEP, identified the following options as areas of focus: a) the areas where accelerated action is most needed and evidence is concentrated; b) the areas marked with evidence concentration and with considerations for geographical distribution (for replication and scaling); c) climate interventions which link multiple target areas (e.g. climate and energy, climate and health, water access and health); and d) behaviour change in climate interventions.

35. The IEU also continues to support and participate in the **United Nations Evaluation Group (UNEG)** and its various working groups. The IEU participated in key evaluation and

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<sup>9</sup> Link: <<https://ieu.greenclimate.fund/document/sdg-scopingreview>>



climate conferences—including the UNEG Annual General Meeting, to share its work and remain aligned with emerging global evaluation practices. Throughout the year, the IEU staff will attend and participate in working groups of the UNEG, including on climate change and environment, evaluation synthesis, impact evaluation, foresight in evaluation, peer review, evaluation policy influence, use of evaluation, data, and AI.

36. Annex II contains a list of IEU publications and communications products that were published during the reporting period. Annex III contains a list of IEU events and engagements with stakeholders and partners that were organized in the reporting period.

37. A summary of the progress made for key deliverables under this objective is provided in the table below.

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**Objective 3: Engage strategically to learn, share, and adopt best practices in the climate change evaluation space**

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Sub-Objectives	2025 Key Deliverables	Progress During the Reporting Period
<b>Board engagement and reporting</b>	IEU Board side event on the IEU's country ownership synthesis	<b>On Track:</b> In February 2025, the IEU organized a Board side event on the topic of country ownership and shared findings from a recent synthesis of evaluative evidence on the GCF's country ownership approach. Held on the margins of B.41, the event was well attended by participants representing the GCF Board, Secretariat, accredited entities and active observers. Discussions emphasized the value of country ownership principles and identified existing gaps in operationalizing a country-owned approach for GCF projects and programmes.
	IEU newsletters	<b>On Track:</b> Prior to B.41, the IEU also published and disseminated a Board-facing newsletter, informing the Board and other key stakeholders of the recent work and milestones achieved by the Unit in evaluation, learning, capacity-building, and other areas. Another Board-facing newsletter will be prepared and circulated ahead of B.42.
	Evaluation Board members and advisors	<b>On Track:</b> In March 2025, the IEU organized and delivered webinars to inform the Board of the approach and methods of ongoing evaluations and syntheses. These webinars aimed to engage the Board members and advisors early on and actively seek their feedback before completing the inception phase of the evaluations. Upcoming webinars will aim to share the findings and areas of recommendations and will be scheduled later this year.
<b>Outreach, communications and uptake</b>	IEU microsite <sup>10</sup>	<b>On Track:</b> The IEU microsite featured the final evaluation reports submitted for the GCF's 41st Board meeting, alongside accompanying communications products such as country case studies and evaluation highlights. It recorded over 6,500 active users, with notable growth from the United Kingdom (+21.8 per cent) and Canada (+14.0 per cent). An ongoing website audit exercise assesses user experience and

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<sup>10</sup> Link: <<https://ieu.greenclimate.fund/>>

		identifies areas for improvement. The findings will inform a planned revamp to enhance usability and navigation, reinforcing the microsite's role as a central hub for accessible, actionable climate evaluation insights.
	IEU social media (LinkedIn, X)	<b>On Track:</b> The IEU's social media channels featured posts on upcoming evaluations, country visits, and Board-related publications during the reporting period. Building on last year's shift toward visually engaging formats, engagement rates averaged 23.1 per cent, with several posts exceeding 30 to 40 per cent, a sharp contrast to earlier text-heavy posts that typically remained in single digits. Click-through rates averaged 23.7 per cent, effectively directing audiences to the evaluation reports and knowledge products on the IEU microsite. In parallel, real-time updates about IEU's activities and evaluations were shared through the GCF's intranet Green Shift to support the uptake of evaluations by the Secretariat in a timely manner.
<b>Engagement with evaluation and climate networks</b>	Four Climate Funds' working group	<b>On Track:</b> Since 2024, the IEU has been exploring and piloting the use of AI and automated systems (e.g. NLP) in data collection and synthesis for evaluations, as part of a joint project with the GEF, Adaptation Fund, and the CIFs. Given its potential for cost-effectiveness, this approach is expected to be expanded further. During the reporting period, the working group published the scoping study on the use of artificial intelligence in climate evaluation. The group currently pilots a synthesis of existing evidence on forestry in the four Funds, using AI. The group also agreed to develop ethical guidelines for using AI in climate evaluations.
	Global SDGs Synthesis Coalition	<b>On Track:</b> The Unit continues to contribute to the ongoing work of the Global SDG Synthesis Coalition as a Co-Chair of the Planet Pillar management group. During the reporting period, the SDG Coalition agreed to collaborate with the Evidence Synthesis Infrastructure Collaborative to develop and apply AI tools for synthesis.
	UN Evaluation Group	<b>On Track:</b> The IEU attended the UNEG Annual General Meeting, hosted in Tokyo, Japan, 10 – 12 February 2025. The IEU team hosted the Evaluation Practice Exchange and Professional Development Sessions, highlighting emerging trends in the evaluation field such as AI-driven meta-synthesis and impact evaluation for climate change. Following the AGM, IEU staff joined various UNEG Working Groups on climate change and environment, evaluation synthesis, impact evaluation, foresight in evaluation, peer review, evaluation policy influence, use of evaluation, data, and AI.
	Climate funds and Evaluation networks meeting	<b>On Track:</b> The IEU attended the Climate and Evaluation Learning Coalition Seminar in New York, 25-26 February and the joint IDEAS/IEO-NDB 2025 Conference in Rome, 4-6 March, to discuss and contribute to how evaluations can play a more influential role in contributing to transformational change for climate.

## 2.4 Objective 4: Strengthen and position the IEU in the Fund and in its ecosystem

38. **Evaluation Policy implementation.** The IEU ensures it is functioning effectively by sharing its vision and best practices internally and externally. As custodian of the Evaluation Policy of the GCF, the IEU is responsible for the implementation of the Evaluation Policy (B.BM-2021/07, Annex I). The IEU will advise on the effective implementation of this Policy and shall recommend updates to the Policy to the Board, periodically, in cooperation with the Secretariat. As per Policy, the IEU is responsible for evaluations, reviews, and assessments. The IEU could also provide technical support in design or implementation of evaluations of the Secretariat. The IEU can also attest to the quality of evaluations. The IEU will work on establishing and leading a community of practice of evaluators working in the climate change space.

39. Following this institutional commitment, the IEU continues to provide, amongst others, evaluability assessments of GCF project proposals and quality assessments of AE-led evaluations. In doing so, the Unit supports and engages with evaluators in the ecosystem on evaluation methods and standards.

40. In preparation for a future review of the Evaluation Policy, the IEU plans to complete the first peer review of the evaluation function of the GCF in 2025-2026. In reporting period, the IEU continued to engage with the UNEG peer review working group and the preparation of the self-assessment. The IEU provided inputs into the workplan of the working group for 2025-2026, requesting support for the peer review. This review aims to provide the IEU with inputs to make the Unit, its operations, evaluations, and methodology more robust and rigorous. A strengthened IEU will positively contribute to the results, accountability and learning of the GCF.

41. **Staffing.** As per Evaluation Policy, the IEU is expected to be a global leader in climate evaluation. Consequently, the Unit places considerable emphasis on hiring global talent and further strengthening its internal capacity through a wide range of training and learning opportunities. During the reporting period, the IEU continued to process hiring and nurturing a strong team culture, while reducing its dependency on HQ-based individual consultants and professional services.

42. As the IEU staffing reaches maturity, the IEU has gradually further internalized independent evaluations, syntheses, and review work. In 2024, the IEU commenced to reduce the individual consultant budget, by 22 per cent compared to the previous year. With the further maturing of the GCF Secretariat's functions, in particular the data, knowledge management and monitoring and evaluation (M&E) function, the IEU has continued to follow this trajectory and transition. In the reporting period, the IEU's Science and Data workstream completed data collection and analysis without any additional support by HQ-based consultants. The introduction of the new ERP system in the GCF has also reduced the IEU's dependency on HQ-based consultants for administrative and review tasks.

43. Unfortunately, further planned cost-efficiencies were not realized by the Unit. In the reporting period, the hiring process for the senior position of Principal Evaluation Officer was extended. In line with the current HR guidelines, one Evaluation Specialist was provided with the opportunity of a stretch assignment to the Department of Monitoring, Evaluation and Learning (DMEL), to support the establishment of an evaluation capacity building function at the Secretariat. The Data and GIS Specialist of the IEU has concluded her appointment with the IEU's Science and Data workstream in January 2025. Furthermore, another Evaluation Specialist had to extend his sick leave. With the unforeseen delays, the IEU experienced capacity constraints, which resulted in the adjustment of several timelines and deliverables. In some cases, deliverables had to be delayed, allowing for sufficient capacity for the ongoing

independent evaluations. Considering the changes in the distribution of tasks, the Head reassessed the workplan deliverables and took stock of available resources in March 2025. The outcome was to reassess the prioritization of the Unit's deliverables, considering the limited human resources, the well-being of staff and policy relevance of IEU evaluations.

44. **Data management and systems.** As the GCF developed a Fund-wide data strategy and the Division of IT began strengthening an institution-wide data management system to support all teams, the IEU aligned its efforts accordingly. During this reporting period, the IEU members fully transitioned to using Power BI, gaining a greater understanding of and access to the Secretariat databases and dashboards within the platform. Concurrently, the IEU expanded its efforts to deploy pilot AI-based solutions in ongoing evaluations by gaining API access to OpenAI. The application of these AI tools has enabled the IEU to save time on extracting, categorizing, cleaning, and performing key data analysis tasks required for ongoing evaluations.

45. **Team culture and training.** The staff of the IEU is subject to the Code of Conduct of Staff, as stated in the Updated terms of reference of the IEU. The IEU will also follow the GCF guidelines, including those on procurement, HR, and grievance. The IEU has been careful to continue to support its team members in the development of a culture that supports personal growth and provides a positive work environment. Following the practices in 2024, the IEU aims to have a total of three team retreats by the end of 2025, and two of the three retreats already took place. The first retreat of the year took place in March on the alignment of roles and responsibilities and the 2025 work plan, and the second one was held in May on the evaluation plan for 2026. The last retreat of the year will take place in October with a focus on the team's wellbeing and effective communication, and will be supported by facilitators.

46. The IEU team has also participated in the first 2-day All Staff Retreat of the GCF on 2-3 April 2025, organized by the DPC, to discuss the culture and values of the GCF across departments, offices, and units. In the lead up to this retreat, the IEU participated in a facilitated session on the Clifton Strengths assessment on 4 March 2025, which introduced a strength-based approach to the Fund and the Unit. This session aimed at helping staff to interpret the individual reports and also help the team understand how to use the Strengths Finder at the team level to have meaningful conversations and bring out the best in each other.

47. **Engagement on workplan and budget.** In accordance with the Board Decision B.40/14 (e), the IEU engaged with the Board's Risk Management Committee (RMC) on the development of its work plan in March and May 2025. In March 2025, the IEU introduced the Unit's work plan and outlined the timeline for engagement with the RMC. Between March and April, the IEU conducted a comprehensive strategy and policy review. An identified list of evaluations was further assessed based on the evaluability review of potential evaluation topics for 2026–2027. The IEU held internal consultations within the Unit as well as with key stakeholders in the Secretariat. In May, the IEU consulted with the RMC on the proposed evaluation topics for 2026–2027. As a follow-up on the verbal and written feedback received, the IEU provided a supplementary note, including a response matrix to the RMC in May.

48. **Delineation of roles and responsibilities between the IEU and DMEL.** The IEU also engaged closely with the Co-chairs and the Secretariat on the delineation of roles, policy reviews, and planning of future evaluations. In the reporting period, the IEU and DMEL developed, in close collaboration, a document delineating the roles and responsibilities between the IEU and DMEL. The IEU and DMEL prepared and consulted with the Co-chairs on the scope, contents, and positioning of the document. Overall, the document underscores that good monitoring is a sine qua non for effective evaluations. Given the monitoring, evaluation – Secretariat-led or IEU-led independent – and learning functions described above, DMEL and the IEU have complementary roles within the GCF. These roles are distinct and support each other. Some key conclusions of this document are provided in the earlier section, in paragraph 25.

- (a) First, robust monitoring data is imperative for undertaking credible and robust independent evaluations. The Secretariat is the primary custodian of the GCF's M&E function. It has the mandate and the responsibility to ensure the accuracy, reliability, reportability and utility of the portfolio data generated from the GCF's projects and programmes. In its evaluations, the IEU depends heavily on data from the Secretariat's data systems, including monitoring data. Alongside the primary data collected by the IEU, robust monitoring data provides a critical secondary source for credible analysis and sound conclusions. Hence, DMEL's upstream monitoring work serves IEU's downstream evaluation activities.
- (b) Secondly, iterative learning loop of Secretariat-led evaluation are important evidence bases for independent evaluations, and vice versa. DMEL may undertake focused, timely, learning-oriented self-evaluations and produce learning products to meet the specific needs of the GCF and its stakeholders. These products may also contribute to the IEU's evidence base for its evaluations. The IEU, in turn, delivers timely, credible, and robust evaluations that support DMEL's learning mandate and help translate and transmit evaluation findings across the wider Secretariat. Further, the IEU's independent and credible evaluations are expected to strengthen the GCF's monitoring function by providing additional findings and insights. This iterative loop fosters a healthy evaluation culture where Secretariat-led and independent evaluations work in a complementary and reinforcing manner.
- (c) Thirdly, evaluation capacity building is key to promote evaluation culture. The Secretariat is expected to take the lead in building the capacity of AEs to prepare robust and credible midterm and terminal AE-led evaluations. These AE-led evaluations are crucial for enabling the GCF to report on the results achieved through its investments. The IEU, as the custodian of the GCF Evaluation Policy, provides specific methodological support to the GCF's broader capacity-building mandate. The IEU also developed the GCF Evaluation Standards to ensure consistency across the different types of evaluations conducted by GCF stakeholders, supporting the production of high-quality evaluations with strong evidence and actionable recommendations.
49. In addition, the IEU engaged in several policy review processes and worked closely with board committees to prepare its work plan and identify future evaluation topics. During the reporting period, the IEU reviewed the GCF's policies that are being drafted and revised by the GCF Secretariat, namely, Staff Regulations, Revised Accreditation Framework, Monitoring and Accountability Framework, as well as administrative instructions.
50. A summary of the progress made on the key deliverables under this objective is provided in the table below.

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**Objective 4: Strengthen and position the IEU in the Fund and in its ecosystem**

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Sub-Objectives	2025 Key Deliverables	Progress During the Reporting Period
<b>Complete staffing</b>	Complete hiring processes	<b>Delayed:</b> During the reporting period, the hiring process for a Principal Evaluation Officer, was extended. In January 2025, the Data and GIS Specialist left the Unit. One Evaluation Specialist went on a six-month stretch assignment with DMEL. One Evaluation Specialist went on an extended leave. The IEU

reassessed its priorities and resource allocations. Some delays are observed.

<b>Consultants</b>	Reduced individual consultants and professional services	<b>On Track:</b> The IEU gradually reduced the HQ-based consultants. As of March 2025, two communications consultants were retained at HQ. In the reporting period, the IEU continued utilizing some remote individual consultants for specific expert advice and specific evaluation work. This approach is designed not only to resource targeted expertise, but also to improve cost-efficiency.
<b>Team culture</b>	Team building activities and consideration of restructuring the IEU	<b>On Track:</b> In March 2025, the IEU held a one-day workshop in Songdo to align its performance framework with the GCF's new outcome-focused approach. The workshop reviewed the IEU's three-year objectives, clarified roles, and supported planning for the 2025 work plan. Team discussions within workstreams and evaluation teams helped draft a performance framework tailored to the IEU's matrix structure, which integrates workstreams with evaluation teams to enhance efficiency and expertise.
<b>Peer-review</b>	Peer review of the IEU	<b>Delayed:</b> During the reporting period, the IEU maintained its engagement with the UNEG peer review working group. The IEU has made inputs to the work plan of the WG. Given the current constraints, the IEU has delayed the self-assessment in 2025 and the peer review in 2025-2026.
<b>Policy review</b>	Policy reviews as required	<b>On Track:</b> The IEU engaged in several policy review processes, including those related to staff regulations, and worked closely with board committees to prepare its work plan and identify future evaluation topics. Most of these policy reviews were not planned and not captured in the Unit's work plan for 2025.
<b>Work plan development</b>	Preparation and consultation of the IEU's work plan	<b>On Track:</b> The IEU engaged with the Board's Risk Management Committee (RMC) on the development of its work plan. In February 2025, the IEU introduced the Unit's work plan and outlined the timeline for engagement with the RMC. Between March and April, the IEU conducted a strategy, policy, and evaluability review of evaluation topics for 2026-2027. After consultations with key stakeholders, the IEU consulted with the RMC on the proposed evaluation topics in May.
<b>Delineating the roles of the Secretariat and the IEU on the monitoring, evaluation and learning functions of the GCF</b>		<b>On Track:</b> In accordance with the Board Decision B.40/14 (f), the IEU, in collaboration with the Secretariat's Division of Monitoring, Evaluation and Learning (DMEL), drafted the document on "Delineating the roles of the Secretariat and the Independent Evaluation Unit on the monitoring, evaluation and learning functions of the GCF". The document presents an optimized approach to monitoring and evaluation and was presented to and consulted with the Co-chairs.



## Annex I: Budget and expenditure report

1. The table below shows the IEU's 2025 budget and the expenditure report as of 31 March 2025 in USD. The IEU's actual overall budget expenditure as of 31 March was 16 per cent, with USD 1.2 million, against the approved 2025 annual budget of USD 7.67 million.

**Table 1: IEU's budget and expenditure in January – March 2025**

Category	2025 Board approved budget, in USD	Disbursed, in USD	Disbursed, in % of the approved budget	Remaining budget, in USD
Full-time staff	4,725,149	873,490	18%	3,851,659
Consultants and interns	350,728	80,847	23%	269,881
Travel	308,576	5,553	2%	303,023
Professional services	977,000	53,867	6%	923,133
Other operating costs	41,500	10,229	25%	31,271
Shared cost allocation	797,086	199,272	25%	597,815
Third Performance Review	472,000	-	-	472,000
<b>Grand Total</b>	<b>7,672,039</b>	<b>1,223,258</b>	<b>16%</b>	<b>6,448,781</b>

2. **Staff.** Staff costs include salaries, benefits, staff training, and professional development costs. Staff costs were spent at 18 per cent by 31 March 2025. This expenditure gap is caused due to i) the delayed hiring for a Principal Evaluation Officer, ii) the departure of the Data and GIS Specialist in January 2025, iii) along with a six-month assignment of a staff member to the Division of Monitoring, Evaluation and Learning (DMEL) starting in February 2025, and iv) an extended leave of another staff member in January 2025.

3. **Individual consultants and interns.** As of 31 March 2025, 23 per cent of the consultant and intern budget had been spent. As of March 2025, only two communications consultants were retained at HQ. The IEU continued to utilize remote individual consultants for expert advice, evaluation work, as well as short-term specialized tasks. This approach is designed not only to resource targeted expertise, but also to improve cost-efficiency. As for interns, two interns of the 2024-2025 internship cohort have left at the end of 2024. For the 2025-2026 internship cohort, the IEU continued its participation in the GCF-wide internship programme and is currently recruiting four new interns. The Unit expects to onboard its interns in July 2025.

4. **Professional services.** As of 31 March 2025, actual expenditure of the professional services budget stood at 6 per cent. However, commitments account for approximately 92 per cent of the approved budget when including contracted amounts and those under active procurement processes. These committed budgets are expected to be disbursed in line with the delivery schedule of ongoing contracts, with the majority of expenditures anticipated in the second half of the year.

5. **Travel:** The IEU will use travel strategically to achieve its objectives. As of 31 March 2025, 2 per cent of the travel budget had been spent. Thus, the IEU staff members are expected

to travel with the three main objectives; to i) conduct evaluations and country case studies, ii) to provide advisory services and other support to stakeholders on the ground, and iii) disseminate lessons learned, attend Board meetings, and share and learn from global developments in the climate and evaluation space. The third category of travel also serves as a professional development opportunity for staff. During the reporting period, the IEU staff travelled to attend three international workshops and UNEG meetings. An impact evaluation-related travel to Nepal was also undertaken. The IEU will continue to use methods of cost-effectiveness, like combining evaluation travel with GCF related events and workshops, e.g. GCF Structured Dialogues. The evaluation-related travels and travel for data collection usually concentrates between May and August. Other types of travel will also be undertaken, if deemed relevant to the Unit's work plan and priorities.

6. **Other operating costs:** As of 31 March 2025, 25 per cent of the other operating costs had been spent. This includes costs for printing, communication materials and office supplies, subscriptions to specialized software (such as statistical tools not covered by the GCF as a whole), team retreats, and various sundry expenses. The IEU continues to engage with the DIT to consider cost-efficiencies and effectiveness where possible. In the reporting period, the DIT advised on the effective use of GCF licenses for qualitative data analysis. As a result, the IEU could further enhance the cost effectiveness for software packages.

7. **Third Performance Review:** During the reporting period, the IEU launched the TPR by defining its approach and initiating key stakeholder consultations, including the Risk Management Committee of the Board. The procurement of an external firm to support the review was concluded in April, and no budget has been spent yet.

## Annex II: List of IEU publications and communications materials that were published in the reporting period (January – April 2025)

Document type	Topic
<b>Annual Report</b>	The 2024 Annual Report
<b>Board report</b>	GCF/B.41/Inf.09: Report on the activities of the Independent Evaluation Unit
<b>Evaluation report</b>	[Final Report] Independent Evaluation of the GCF's 'Health and Well-being, and Food and Water Security' (HWWF) Result Area
<b>Evaluation report</b>	[Final Report] Independent Evaluation of the GCF's Approach to Indigenous Peoples
<b>Evaluation products</b>	6 stand-alone Country Case Studies published under the Independent Evaluation of the GCF's 'Health and Well-being, and Food and Water Security' (HWWF) Result Area.
<b>Evaluation products</b>	5 stand-alone Country Case Studies published under the Independent Evaluation of the GCF's Approach to Indigenous Peoples (IPs).
<b>Evaluation product</b>	Country Case Studies Report highlighting 5 countries, published under the Independent Evaluation of the Relevance and Effectiveness of the Green Climate Fund's Investments in the Latin American and Caribbean (LAC) States.
<b>Evaluation product</b>	[Approach Paper] Independent Evaluation of the GCF's Approach to Country Ownership (COA2025)
<b>Evaluation brief</b>	2-page approach brief of the Independent Evaluation of the GCF's Approach to Country Ownership (COA2025)
<b>Evaluation brief</b>	2-page brief of the Independent Evaluation of the GCF's 'Health and Well-being, and Food and Water Security' (HWWF) Result Area. The Brief was translated and published also in Arabic and Spanish languages.
<b>Evaluation brief</b>	4-page brief of the Independent Evaluation of the GCF's Approach to Indigenous Peoples. The Brief was translated and published also in Arabic and Spanish languages.
<b>IEU Blog</b>	Desert with a Dirt Road
<b>IEU Blog</b>	Measuring resilience: Threading the needle
<b>IEU News</b>	Ensuring transparency and accountability in AI-driven climate evaluations
<b>IEU News</b>	IEU's LORTA team leads UNEG session on advancing impact evaluation
<b>Newsletter</b>	IEU Newsletter Issue 24

### Annex III: List of IEU events and engagements with stakeholders and partners in the reporting period (January - April 2025)

Month	Event	Type
February	<b>UNEG Evaluation Week 2025</b> <i>Tokyo, Japan from 10-14<sup>th</sup> February</i>	External engagement
	<b>IEU Side Event at B.41: Emerging Findings from the Synthesis on Country Ownership</b> <i>Songdo, South Korea on 18<sup>th</sup> February 2025</i>	Engagement with the GCF Board
March	<b>IDEAS Conference: Multi-Dimensional Evaluation for Influence &amp; Transformation</b> <i>Rome, Italy from 4-6<sup>th</sup> March</i>	External engagement
	<b>IEU Evaluation Webinar on the Approach of SAP, COA, and CIEWS Evaluations</b> <i>Virtual, 11<sup>th</sup> March</i>	GCF stakeholders/partners
	<b>IEU Evaluation Webinar Series on the Approach of SAP, COA, and CIEWS Evaluations and Introduction to M&amp;E Synthesis</b> <i>Virtual, 12<sup>th</sup> March</i>	GCF Secretariat
	<b>IEU Board Webinar on the Approach of SAP, COA, and CIEWS Evaluations</b> <i>Virtual, 12<sup>th</sup> March</i>	GCF Board
	<b>IEU One-Day Team Workshop</b> <i>Songdo, South Korea on 13<sup>th</sup> March</i>	IEU internal engagement

## Annex IV: Progress of impact evaluations during the reporting period

1. The IEU continues to advise and support impact evaluations of GCF projects, through its Learning-Orientated Real-time Impact Assessment (LORTA) programme. This work is important as it enables the GCF to access information on the quality of project implementation and impact. LORTA enhances learning through advisory services and capacity-building in the area of impact evaluation and contributes to the global evidence in the climate space by collaborating with practitioners, academia, policymakers, and other stakeholders of the GCF ecosystem.
2. **Preparation of impact evaluation reports:** In the reporting period, further progress was made with the existing GCF projects in the LORTA portfolio. By the end of April 2025, ten GCF projects in the LORTA portfolio were in the engagement and design stage, seven in baseline, and nine in the post-baseline stages for impact evaluations (see the Table below for more).

**Table: Status of GCF projects in the LORTA impact evaluation portfolio**

	FP/COUNTRY/REGION	ENGAGEMENT/DESIGN	BASELINE	POST-BASELINE STAGE	RESULTS AND DISSEMINATION
<b>1<sup>ST</sup> COHORT (ENTERED IN 2018)</b>	FP002 Malawi				X
	FP035 Vanuatu		X		
	FP026 Madagascar			X	
	FP062 Paraguay			X	
	FP034 Uganda			X	
	FP068 Georgia		X		
	FP072 Zambia			X	
<b>2<sup>ND</sup> COHORT (ENTERED IN 2019)</b>	FP096 DRC	X			
	FP069 Bangladesh				X
	FP073 Rwanda			X	
	FP087 Guatemala			X	
	FP097 Central America	X			
	FP098 Southern Africa	X			
<b>3<sup>RD</sup> COHORT (ENTERED IN 2020)</b>	FP101 Belize			X	
	FP110 Ecuador		X		
	FP116 Kyrgyzstan	X			
<b>4<sup>TH</sup> COHORT (ENTERED IN 2021)</b>	FP172 Nepal		X		
	SAP023 Mexico			X	
	FP138 Senegal	X			
	FP060 Barbados			X	
<b>5<sup>TH</sup> COHORT (ENTERED IN 2022)</b>	CN Armenia	X			
	SAP031 Brazil	X			
<b>6<sup>TH</sup> cohort</b>	FP179 Tanzania		X		
	FP187 Benin	X			

(Entered in 2023)	FP192 Barbados		X		
	SAP021 Timor-Leste		X		
7 <sup>th</sup> cohort (Entered in 2024)	FP246 Somalia	X			
	FP244 Malawi	X			

3. **Impact evaluation country visits.** The IEU LORTA team enabled and supported the development of a comprehensive impact evaluation framework and the necessary data collection for the projects, through field visits and regular consultations with local stakeholders. In the reporting period, the following impact evaluation visits were undertaken.

4. **Nepal:** In February 2025, the IEU staff travelled to Nepal to support the initial planning and preparatory activities for the impact evaluation of GCF's FP172, a clean cooking solutions project led by Nepal's Alternative Energy Promotion Centre (AEPC). The mission focused on refining the impact evaluation design through field visits and consultations with local governments and communities in the Terai region. While there was strong demand and buy-in for the technologies, the team observed procurement complexity—driven by co-financing requirements and fluctuating market prices—which affect beneficiary contributions. Additionally, several municipalities had already developed detailed prioritization and allocation plans, offering valuable insights to inform sampling and analysis in the forthcoming baseline.



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## **Annex V: The evaluability assessment of the Green Climate Fund's funding proposals**

# **The Third Evaluability assessment of the Green Climate Fund's Funding Proposals**

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Alejandro González-Caro, Peter Mwandri, Andreas Reumann, Galyna Uvarova, Susumu Yoshida

## Acknowledgements

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This report represents a collaborative effort to advance the GCF's learning agenda at a critical juncture in climate finance. By mapping the evolving landscape of project evaluability, we aim to contribute to the larger conversation about measuring what matters in climate action, ensuring that each investment not only addresses immediate climate needs but also builds our collective knowledge about effective interventions. The authors are grateful to all who have contributed to this pioneering work in strengthening the evidence base for climate finance decisions. All remaining errors are the sole responsibility of the authors.

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## Abbreviations

AE	Accredited entity
DAE	Direct access entity
EARF	Energy Access Relief Facility
FAA	Funded activity agreement
FP	Funding proposal
GCF	Green Climate Fund
IAE	International accredited entity
IE	Impact evaluation
IEU	Independent Evaluation Unit
LDC	Least developed country
M&E	Monitoring and evaluation
SAP	Simplified Approval Process
SIDS	Small island developing State
ToC	Theory of change

## I. Introduction

1. The Green Climate Fund (GCF) is a multilateral fund created to make significant and ambitious contributions to global efforts to combat climate change. The GCF contributes to achieving the objectives of the United Nations Framework Convention on Climate Change and the Paris Agreement. It aims to promote a paradigm shift towards low-emission and climate-resilient development pathways by helping developing countries reduce their greenhouse gas emissions while supporting countries' specific needs in adapting to and combating climate change's adverse effects. For developing countries, the GCF provides support through various financial modalities, including grants, loans, and market instruments such as bonds and equity.
2. Following the first assessment conducted in 2019, this document assesses the quality of proposals approved for financing by the GCF (also called funding proposals (FPs)). It asks the following question: To what extent are GCF-supported programmes and projects capable of credibly reporting their impacts, efficiency, and effectiveness in an evidence-based and robust way?
3. We ask this question for two reasons. First, the GCF's overall goal is to support a paradigm shift towards low-carbon, high-resilience pathways. Therefore, it is critical to understand if a paradigm shift is occurring and how much of this shift is attributable to the GCF. The GCF's contribution to the shift requires GCF investments to credibly commit to and measure the results to which they statedly aim. Second, measurement in the climate change space is difficult. Climate change action requires that large numbers of people act simultaneously to individually effect change that together must represent a large enough and critical change to make a difference. Results from individual actions on overall global climate change will only be apparent after hundreds of years, if not longer. However, we can assess the extent to which current investments are likely to yield these results. It is important the GCF examines projects for the likelihood of these results. This is to understand the probability of success and the credibility of results reporting (should it occur) and enable the GCF to reliably report its overall contribution to this climate action effort. It is even more important to assess, test and establish the credibility of these results.
4. The GCF invests its resources using several criteria. Among these are the investment criteria, which require that projects show proof of impact potential, sustainability, paradigm shift potential, country ownership, climate relevance, effectiveness, and efficiency. These are also among the criteria the GCF's Independent Evaluation Unit (IEU) uses to assess the quality of the GCF portfolio's performance, activities, and results.
5. This study presents the results of an IEU desk assessment of the GCF portfolio. The study builds on the findings of the first assessment conducted in 2019, as well as the second one conducted in 2022.<sup>11, 12</sup> The study has two main aims. Firstly, to assess the quality of the proposals for the FPs the GCF has approved and is currently supporting. Project managers can learn from these and produce stronger proposals in the future that have a higher likelihood of reporting measured results and a greater likelihood of achieving success. Secondly, the study aims to inform

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<sup>11</sup> Nathan Fiala, Jyotsna Puri and Peter Mwandiri (2019). Becoming bigger, better, smarter: A summary of the evaluability of Green Climate Fund proposals. Working Paper No. 1. Songdo, South Korea: Independent Evaluation Unit, Green Climate Fund. Available at <https://ieu.greenclimate.fund/sites/default/files/document/working-paper-becoming-bigger-better-smarter-summary-evaluability-gcf-proposals.pdf>.

<sup>12</sup> Independent Evaluation Unit (2022). Evaluability assessment of the Green Climate Fund funding proposals. IEU Learning Paper (December). Songdo, South Korea: Independent Evaluation Unit, Green Climate Fund. Available at [https://ieu.greenclimate.fund/sites/default/files/document/230214-evaluability-study-top\\_2.pdf](https://ieu.greenclimate.fund/sites/default/files/document/230214-evaluability-study-top_2.pdf).



the GCF investment criteria, introduce evidence-based learning opportunities into GCF projects and processes, and inform the implementation and overall impact of GCF resources.

6. These two aims help us meet three purposes. First, to help inform, where possible, risks that may arise in currently supported projects and to alert project managers. Second, to improve the quality of proposals overall. Third, to help projects measure better and discuss methods FPs may use for this purpose. Hopefully, this discussion and the use of robust methods will enable the GCF to report its overall impact measurably and credibly.

## II. Summary of GCF's funded projects as of 31 December 2023

### 2.1 Overview of GCF's portfolio

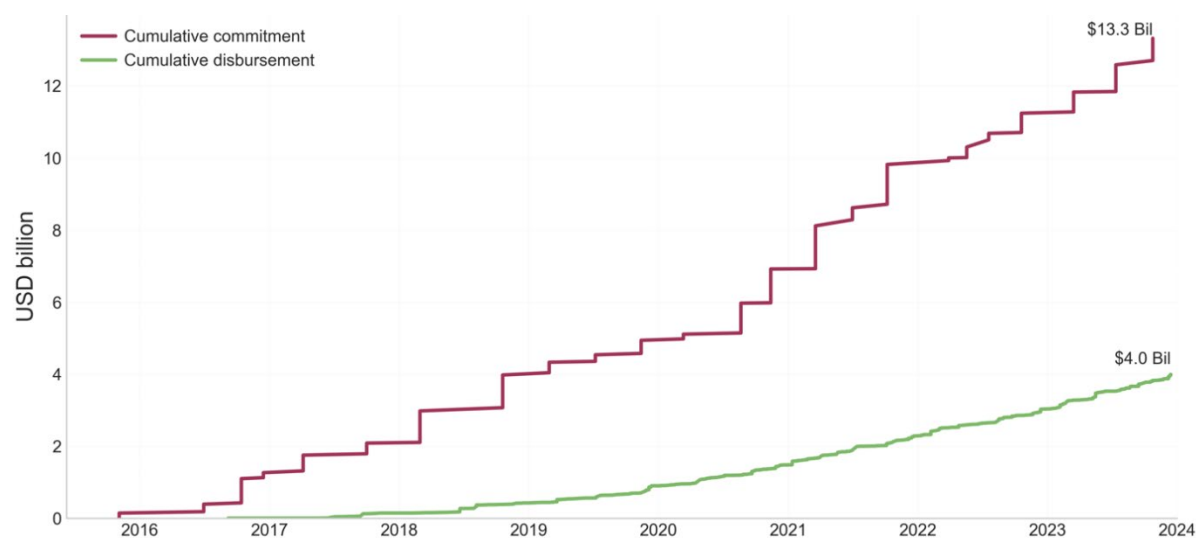
7. Projects represent the primary mechanism through which the GCF invests in low-emission, high-resilience development pathways. All GCF-supported activities must demonstrate climate rationale to receive funding. The GCF aims to drive paradigm shifts in both climate mitigation and climate adaptation efforts. Approved projects are classified into three categories: mitigation, adaptation, and cross-cutting:

- (i) Mitigation projects that help developing countries reduce their greenhouse gas emissions
- (ii) Adaptation projects that enhance countries' abilities to withstand climate and weather shocks while increasing community resilience
- (iii) Cross-cutting projects that simultaneously address both mitigation and adaptation objectives.

8. This analysis examines the GCF's approved project portfolio, consisting of 241 projects (including both FPs and Simplified Approval Process (SAP) projects), approved up to the thirty-seventh meeting of the Board (B.37) in 2023. This total reflects all approved projects maintained in the portfolio excluding: FP031 (never submitted); FP032, FP079, FP088 (now FP110), and FP123 (withdrawn by accredited entities (AEs)); FP029, FP030, FP006, FP038, FP054, FP065, and FP104 (approvals lapsed).

9. Of the 241 projects in the approved portfolio, 206 (approximately 85 per cent) have effective funded activity agreements (FAAs) and have entered the implementation phase, while the remainder were still in post-approval stages. The portfolio has achieved a 30 per cent disbursement rate, with USD 4 billion disbursed for funded activities as of 31 December 2023 (see **Figure 1**).

**Figure 1. Cumulative GCF commitment and disbursement**



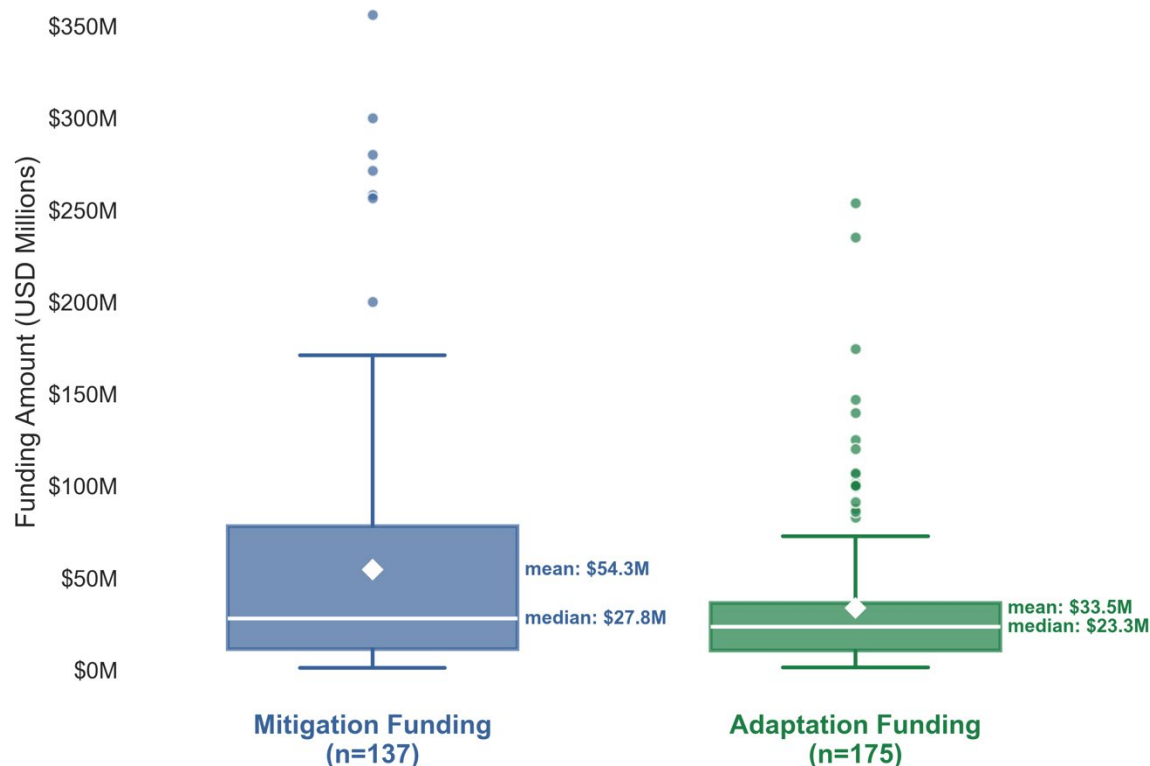
Source: GCF Project API data as of 31 December 2023 (accessed 28 February 2024), including all projects approved through B.37.

## 2.2 Portfolio by theme – adaptation vs. mitigation funding

10. In this analysis, adaptation funding encompasses both standalone adaptation projects and the adaptation component of crosscutting projects. Similarly, mitigation funding includes standalone mitigation projects and the mitigation component of crosscutting projects. This approach provides a comprehensive view of how resources are allocated across climate action themes. Mitigation activities make up 56 per cent of the total funding in the GCF approved portfolio, while adaptation accounts for 44 per cent of the funding, as per the cutoff date of 31 December 2023. This distribution underscores several key trends in climate finance allocation:

- (a) **Project range:** Mitigation funding ranges from USD 0.9 million to USD 356 million, while adaptation funding ranges from USD 1.2 million to USD 253.8 million.
- (b) **Average funding:** The average funding for mitigation projects is substantially higher (USD 54.3 million) compared to adaptation projects (USD 33.5 million), indicating strategic emphasis on larger-scale mitigation investments.
- (c) **Median values:** The median funding for adaptation projects is USD 23.3 million, while that of mitigation projects is USD 27.7 million. This relatively moderate difference in medians indicates that the higher average funding for mitigation is driven by some very large projects.
- (d) **Total GCF approved portfolio:** The analysis encompasses a total of 241 projects in the approved portfolio, with 175 projects having adaptation components (totalling USD 5,860.2 million) and 137 projects with mitigation components (amounting to USD 7,440.5 million). It is important to note that these figures include crosscutting projects that address both adaptation and mitigation objectives.

**Figure 2. GCF funding distribution and comparison of adaptation and mitigation projects**



Source: GCF Project API data as of 31 December 2023 (accessed 28 February 2024), including all projects approved through B.37.

Note: The sum of mitigation and adaptation funding does not equal the total number of approved projects up to B.37 (241), as some approved projects are cross-cutting, incorporating both mitigation and adaptation components.

11. The boxplot visualization shows the greater spread and higher outliers in mitigation funding compared to adaptation funding, while also showing the difference in median values. The white diamonds represent the mean values, illustrating how these are pulled upward by large outliers, particularly in the mitigation portfolio.

## 2.3 Funding by GCF region

12. There is a significant disparity between the number of approved FPs and the volume of finance allocated per GCF region. Although Africa and the Asia-Pacific region together claim the most proposals, their per-project finance is not necessarily the highest. For instance, Latin America and the Caribbean has fewer proposals (62), yet its total allocation of USD 3.2 billion translates to a level of per-project funding on par with Africa – both are around USD 51 million per proposal – while the Asia-Pacific region averages closer to USD 45 million per proposal. These differences suggest that factors beyond the number of proposals – such as project size, complexity, and region-specific funding priorities – can significantly influence how finance is ultimately allocated.

**Table 1. Distribution of the GCF portfolio by region**

GCF REGION	NUMBER OF FPS	FINANCE VOLUME (USD MIL)	SHARE OF TOTAL (%)
Africa	101 (42%)	5,184	39%
Asia-Pacific	101 (42%)	4,513	34%
Eastern Europe	13 (5%)	436	3%
Latin America and the Caribbean	62 (26%)	3,185	24%
Total	241*	13,317	100%

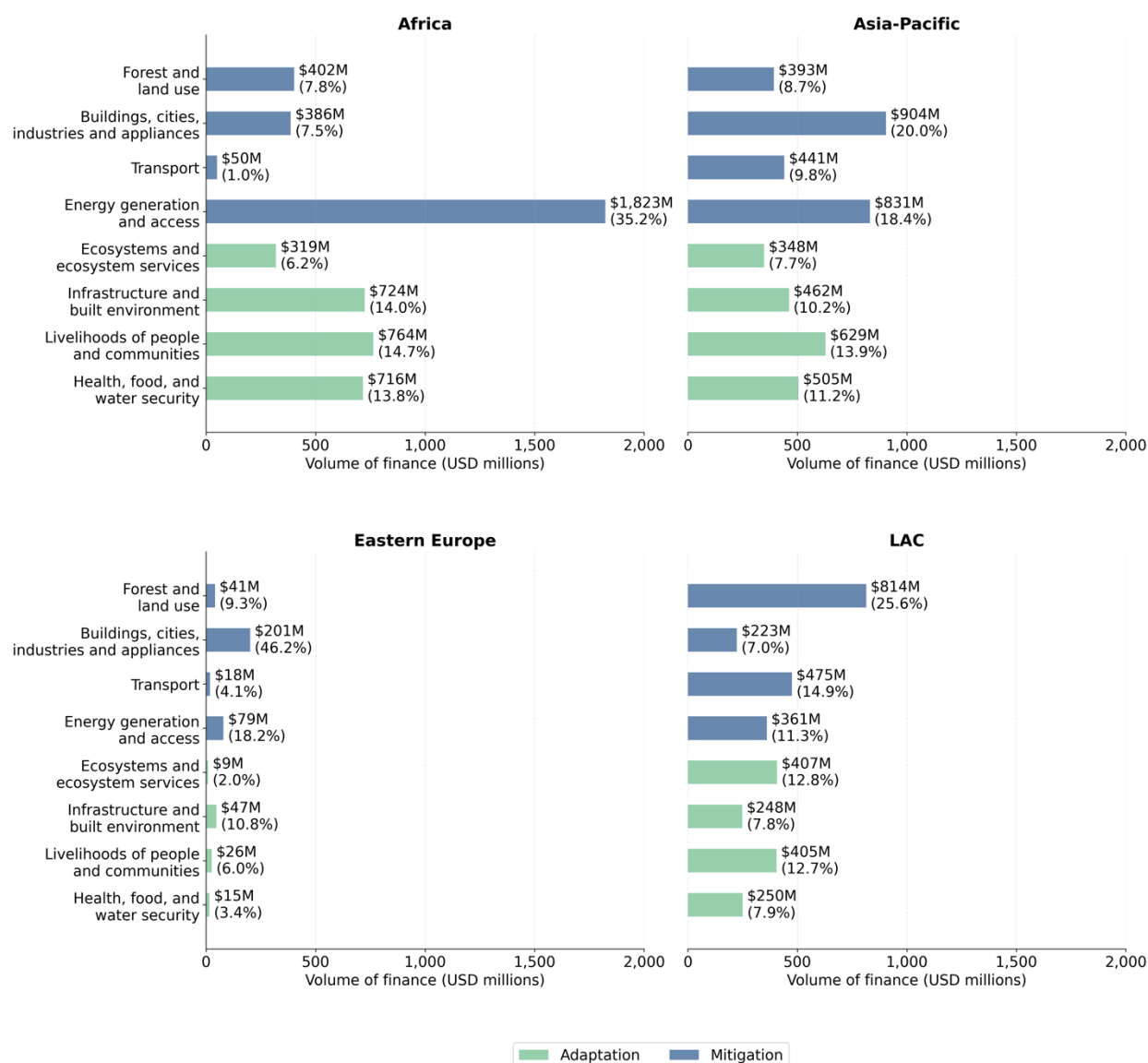
Source: GCF Project API data as of 31 December 2023 (accessed 28 February 2024), including all projects approved through B.37.

Note: \* The number of FPS up to B.37 does not aggregate into a total due to some approved proposals covering several regions

13. The breakdown of the GCF's investments across its mitigation and adaptation result areas offers valuable insights into its allocation strategies and priorities. Among adaptation interventions, the largest investment – USD 1.7 billion – is directed towards enhancing the livelihoods of people and communities. This allocation reflects the GCF's commitment to strengthening community resilience as a key strategy for mitigating climate change impacts. Additionally, significant investments support infrastructure and the built environment, with USD 1.4 billion allocated, and USD 1.3 billion directed toward health, food, and water security. These allocations highlight the Fund's focus on strengthening essential services and resilience mechanisms in vulnerable regions.

14. Regarding mitigation interventions, GCF investments are predominantly directed towards energy generation and access, with a substantial sum exceeding USD 3 billion. This significant investment reflects the Fund's commitment to advancing renewable energy sources and improving access to clean energy technologies, crucial steps in reducing greenhouse gas emissions.

**Figure 3. Result areas finance by region**



Source: GCF Project API data as of 31 December 2023 (accessed 28 February 2024), including all projects approved through B.37.

## 2.4 Breakdown of funding by energy vs. non-energy projects

15. The analysis in **Table 2** presents a classification of projects based on their nature and categorization, encompassing both energy-related and non-energy projects.<sup>13</sup> Under the energy category, projects are subdivided into energy access and generation, energy efficiency, and mixed

<sup>13</sup> Independent Evaluation Unit (2024). Independent Evaluation of the Green Climate Fund's Energy Sector Portfolio and Approach. Evaluation report No. 17 (February). Songdo, South Korea: Independent Evaluation Unit, Green Climate Fund. Available at <https://ieu.greenclimate.fund/evaluation/ES2023>.

energy. Overall, energy-related projects comprise 43 per cent of the GCF portfolio, and non-energy projects comprise 57 per cent of the GCF portfolio.

**Table 2. GCF portfolio by energy vs. non-energy categorization**

NATURE OF THE PROJECT	CLASSIFICATION	NUMBER OF PROJECTS
Energy	Energy access and generation	50
	Energy efficiency	25
	Mixed energy	24
<b>Subtotal</b>		<b>99 (43%)</b>
Non-energy		129 (57%)
<b>Total</b>		<b>228</b>

Source: GCF Tableau server as of 15 July 2023. Categorization by the Energy evaluation team.

### III. Methods overview

16. This section discusses the methods used to assess proposals submitted and approved for funding by the GCF. We ask, “To what extent are approved projects likely to be able to inform results that they claim in a credible and measured manner?”

17. Board-approved FP proposals were assessed along several dimensions. These dimensions are grouped into several common topics.<sup>14</sup> An important caveat here is that the comments in this study are not indicative of the capacity or ability of proposal submitters, mainly because – to the extent we know – the attributes we analysed were neither GCF requirements nor funding conditions when these proposals were prepared. Inferences made in this paper are made from data and information in the proposals. They indicate whether proposals and the information within them are fit for purpose in fulfilling the GCF’s objectives. While noting this is a desk review, our guiding principle is only to examine what has been submitted in proposals. We also provide constructive comments on how these proposals may be improved and comment mainly on the potential “internal validity” of these projects – that is, the feasibility and ability of the projects to inform the results/changes they aspire to, as stated in their proposals.

#### 3.1 Lenses to assess whether proposals are fit for purpose

18. We use four lenses to assess the potential for the internal validity of FPs. The first is the **theory of change** (ToC). We assess whether proposals include an explicit discussion of the project’s overall ToC. A clear ToC is critical for understanding if the proposed activities will lead to

<sup>14</sup> The individual assessment documents present our detailed comments on each of the proposals and are available on request.

the investment's intended outcomes, including their size. In many FPs, ToCs are not laid out coherently in a single place. In all cases, we analysed the full proposal and piece together an "implicit" ToC if an explicit one is omitted.

19. Second, to understand if the programme activities can achieve the impacts claimed in the proposal, we examine proposals for their potential to **measure** and report **causal change and report results using impact measurement**. Many proposals make bold claims about what their investments can accomplish. This causality and impact lens enables us to objectively estimate if the project investment will cause the claimed impact(s) or whether some proportion of the anticipated effect would still have occurred in the absence of programme activities/GCF investment. Observing this counterfactual scenario is impossible: we cannot observe what happens to a beneficiary if it receives a project intervention and what happens if it does not. But there is now a sizeable discipline showing this can be done using experimental construction or observation of valid comparison groups to generate accurate estimates of causal impacts.<sup>15, 16</sup>

20. Third, we assess the project's ability to inform the GCF investment criteria credibly. We assess the extent to which the proposal's credibly responds to fulfilling the GCF's required investment criteria, including whether the proposal demonstrates a strong potential for delivering impact, paradigm shift, sustainable development, recipient needs, country ownership, effectiveness, and efficiency. Specifically, we recognize that **targeting** is a primary concern for many projects. We assess each project based on its targeting criteria. For instance, if a programme plans to reach 50 per cent of women or vulnerable groups, we examine if the proposal has articulated its targeting criteria clearly, and the extent to which the programme is likely to achieve this goal, based on the programme model and ToC.

21. Fourth, we examine FPs for how well they have set up systems to help report on their progress and their **fidelity to implementation** plans. We also examine their stated monitoring and evaluation (M&E) systems to see if they are sufficient in their current state to assess the projects' capabilities in this area.

## 3.2 Building a stoplight

22. To illustrate results, we built a stoplight for each FP proposal that summarizes risks and other issues related to results measurement and the information presented in each FP. Four criteria inform the stoplight. We use a likelihood or risk framework for each criterion to assess the quality with which the proposal meets each requirement (see **Box 1**). The following decision rule is used:

- (a) If the FP has done well on a criterion, and it is highly likely that the criterion will be achieved, the proposal is marked as "low risk" for that criterion.

<sup>15</sup> Paul J. Gertler and others (2016). *Impact Evaluation in Practice*, 2nd ed. (Washington, D.C.: World Bank, 2016). Available at <https://openknowledge.worldbank.org/bitstream/handle/10986/25030/9781464807794.pdf?sequence=2&isAllowed=y>;

<sup>16</sup> Emmanuel Jimenez and Jyotsna Puri (2017). The Wicked Cases of Education and Climate Change: The Promise and Challenge of Theory-Based Impact Evaluations. In: Rob D. van den Berg, Indran Naidoo, and Susan D. Tamondong (eds.), *Evaluation for Agenda 2030: Providing Evidence on Progress and Sustainability*. Exeter, UK: International Development Evaluation Association (IDEAS). Available at [https://sdgs.un.org/sites/default/files/publications/2455IDEASwebREV\\_08Dec.pdf](https://sdgs.un.org/sites/default/files/publications/2455IDEASwebREV_08Dec.pdf).



- (b) If, based on the information provided in the FP, there appears to be a moderate probability the proposed programme or project will perform well relative to the stoplight criterion, then the proposal is marked as “medium risk” for that criterion.

23. A proposal is marked as “high risk” for a given criterion if there appears to be a high probability that the proposed programme or project will not perform well relative to the criterion.

#### **Box 1. Why use a risk framework?**

The stoplight assessments associated with each GCF-funded proposal are constructed based on the information provided within the proposals. The proposals submitted to the GCF do not include every minute detail about the proposed project or programme. The GCF recognizes that the information in the proposals may be further adjusted based on feedback from the GCF, resulting from the evolving needs of target recipients or ongoing M&E efforts during implementation. Because the proposals are used as input for evaluating proposed projects or programmes, the project’s quality vis-à-vis each stoplight criterion cannot be evaluated with absolute certainty before implementation. However, projects and programmes can be evaluated in terms of the likelihood they will meet each stoplight criterion based on the information in the proposal. Because the assessments gauge probabilities of success rather than the observed performance against the stoplight criteria, a risk framework provides a useful assessment tool. As described above, a project is rated as “high risk” for a given stoplight criterion when there is a high probability that the project described in the proposal will not adequately perform relative to that criterion. Alternatively, a “low risk” rating corresponds to a low probability of poor performance against a given criterion. This framework recognizes that our assessments are not based on observed progress but on the projected success of the proposed projects and programmes.

### 3.3 Theory of change and discussion of causal pathways

24. We use the following questions and rating rules to assess the quality of the ToCs and causal pathways discussed in the FPs.

- (a) **What is the quality of the (implicit or explicit) theories of change and programme logic? (See the annex for a ToC checklist.)**
- (i) Low risk. ToC is well articulated.
  - (ii) Medium risk. Logic framework or ToC is present but needs some clarification. (Missing information is specified.)
  - (iii) High risk. Logic framework or ToC either does not exist, or it exists but relies on unverified assumptions or is missing critical details about implementation and/or causal pathways. (Missing information is specified.)
  - (iv) Unclear. Insufficient or ambiguous information in the proposal prevents adequately evaluating the ToC.
- (b) **Are unintended consequences referred to and identified robustly in the programme ToC and/or in the surrounding literature reviews?**

- 
- (i) Low risk. Unintended consequences are well articulated. (These are drawn from discussion of the ToC.)
  - (ii) Medium risk. Unintended consequences are discussed but need some clarification. (Missing information is specified.)
  - (iii) High risk. Unintended consequences are not discussed and are potentially very large, given the programme design. (Missing information is specified.)
  - (iv) Unclear. Insufficient or ambiguous information in the proposal prevents adequately evaluating how it addresses unintended consequences.
- (c) **Are causal pathways clearly identified and discussed? (This is discussed in the context of the ToC and the credibility and feasibility of the pathways.)**
- (i) Low risk. Causal pathways are well articulated and supported with credible evidence.
  - (ii) Medium risk. Causal pathways are described or implied, but the proposed links need some clarification about the assumptions on which they rely. (Missing information is specified.)
  - (iii) High risk. The causal pathways implied in the proposal do not have a clear description and/or are based on unfounded assumptions.
  - (iv) Unclear. Insufficient or ambiguous information in the proposal prevents evaluating the proposed causal pathways adequately.
- (d) **How robust are the causal linkages (implicit or explicit) and are they well informed by high quality evidence?**
- (i) Low risk. Causal linkages are well articulated and are well informed by high quality evidence.
  - (ii) Medium risk. Causal linkages are discussed but need clarification and/or support by additional high-quality evidence. (Missing information is specified.)
  - (iii) High risk. Causal linkages are either not discussed or implied but lack any foundation in credible evidence. (Missing information is specified.)
  - (iv) Unclear. Insufficient or ambiguous information in the proposal prevents evaluating the proposed causal pathways.
- (e) **Is good quality evidence cited to discuss the efficacy of causal linkages?**
- (i) Low risk. Evidence is of good quality and well-articulated.
  - (ii) Medium risk. Evidence is used but needs some clarification. (Missing information is specified.)
  - (iii) High risk. Evidence is not discussed, or the quality of the evidence cited is inferior. (Missing information is specified.)
  - (iv) Unclear. The quality of the evidence cited to discuss the efficacy of causal linkages is unclear.

### 3.4 Potential for measurement of casual change and evaluability

25. We ask the following questions to determine if causal change can be attributed to the GCF programme/GCF investment through impact evaluation (IE).

- (a) **Does the proposal design allow for credible reporting of causal change?**
  - (i) Low risk. The proposal design allows for credible evaluation methods to be used to report casual change.
  - (ii) Medium risk. More details are needed to determine what could be a relevant comparison group or if there are feasible options to create comparison groups.
  - (iii) High risk. There does not appear to be a way to create a comparison group.
  - (iv) Unclear. There is not enough information to determine whether a credible measurement of causal change is possible.
- (b) **To what extent are included requirements for M&E adequate and able to cover the costs of undertaking high quality IEs?**
  - (i) Low risk. Requirements for M&E are likely adequate to cover the costs of a high-quality evaluation.
  - (ii) Medium risk. Requirements for M&E are specified but are likely insufficient to support a high-quality IE.
  - (iii) High risk. Requirements for M&E are not specified or cannot be determined from the information provided.
  - (iv) Unclear. Information about the M&E requirements is ambiguous, making assessing this information impossible.
- (c) **Activities included in the proposal focus on “economic analyses” and “overall M&E” – are these sufficient for high quality credible evaluations?**
  - (i) Low risk. Both are specified and are of high quality.
  - (ii) Medium risk. Both are specified but are of low quality. (Missing information is specified.)
  - (iii) High risk. Only one is specified or neither is specified. (Missing information is specified.)
  - (iv) Unclear. Insufficient or ambiguous information in the proposal prevents adequate evaluation of the quality of proposed economic analyses and M&E activities.
- (d) **Are methods for measuring attributable causal changes (outcomes, impact, or other) discussed?**
  - (i) Low risk. Measurement of attribution is well articulated.
  - (ii) Medium risk. Measurement of attribution is discussed and/or the need for causal impact measurement is acknowledged, but strategies for doing so are not well articulated. (Missing information is specified.)

- (iii) High risk. Measurement of causal impact attribution is not discussed and/or the need for causal impact measurement is not acknowledged.
- (iv) Unclear. Insufficient or ambiguous information in the proposal prevents adequately evaluating any proposed methods for measuring attributable causal changes.
- (e) **Are there potential areas of bias that are likely to creep in?**
  - (i) Low risk. There is a low risk of bias considering the proposed method of evaluating causal impact.
  - (ii) Medium risk. There is a medium risk of bias considering the proposed method of evaluating causal impact. We specify what could lead to biases.
  - (iii) High risk. There is a high risk of bias. The proposal either does not discuss a strategy for causal IE, or the strategy that is discussed has a high risk of producing unbiased impact estimates.
  - (iv) Unclear. Cannot judge the likelihood of bias due to insufficient information.

### 3.5 Implementation of fidelity and performance against investment criteria

26. We ask the following questions to determine if implementation and performance are likely to fit with the investment criteria.

- (a) **Are eligibility and targeting criteria well-articulated in submitted documents?**
  - (i) Low risk. Eligibility and targeting criteria are well articulated.
  - (ii) Medium risk. Eligibility and targeting criteria are discussed but need some clarification. We specify the missing information.
  - (iii) High risk. Eligibility and targeting criteria are either not discussed or are discussed but do not appear feasible, given the programme design. (Missing information is specified.)
  - (iv) Unclear. Insufficient or ambiguous information in the proposal prevents evaluating eligibility and targeting criteria adequately.
- (b) **Is there adequate and reliable information included in the proposal regarding implementation fidelity?**
  - (i) Low risk. Implementation fidelity appears to be strong.
  - (ii) Medium risk. There is a medium level of risk related to implementation fidelity. Some risks to implementation fidelity need to be addressed. (Missing information is specified.)
  - (iii) High risk. There is a high level of risk related to implementation fidelity. Substantial risks need to be addressed. We specify the missing information.
  - (iv) Unclear. Insufficient or ambiguous information in the proposal prevents adequately evaluating the information regarding implementation fidelity.
- (c) **To what extent is impact potential identifiable and measurable in the proposal?**

- 
- (i) Low risk. Impact potential is well articulated in the proposal and appears to be measurable using high quality methods.
  - (ii) Medium risk. Impact potential is specified but needs some clarification. We specify the missing information. Impact potential is measurable, but high-quality methods may not be feasible given the programme design.
  - (iii) High risk. Impact potential is specified, but it relies on significant assumptions that are not verified, and/or impact indicators are vaguely described. Measurement and evaluation potential appears to be low.
  - (iv) Unclear. Insufficient or ambiguous information in the proposal prevents adequately evaluating the impact potential description and the feasibility of high-quality impact measurement.
- (d) **To what extent is paradigm shift potential identifiable and measurable in the proposal?**
- (i) Low risk. Paradigm shift potential is well articulated in the proposal and appears to be measurable using high quality methods.
  - (ii) Medium risk. Paradigm shift potential is specified but needs some clarification. (Missing information is specified.) Paradigm shift potential is measurable, but high-quality methods may not be feasible given the programme design.
  - (iii) High risk. Paradigm shift potential is specified, but it relies on significant assumptions that are not verified and/or paradigm shift indicators are vaguely described. Measurement and evaluation potential appears to be low.
  - (iv) Unclear. Insufficient or ambiguous information in the proposal prevents adequately evaluating the description of the potential paradigm shift and the feasibility of high-quality measurement.
- (e) **How well are other GCF investment criteria informed, and are these measurable and verifiable with high credibility and quality?**
- (i) Low risk. Other investment criteria are likely to be credible.
  - (ii) Medium risk. Other investment criteria have some limitations. (Missing information is specified.)
  - (iii) High risk. Other investment criteria are not likely sufficient. We specify the missing information.
  - (iv) Unclear. The credibility of other investment criteria cannot be determined from the information provided.

### 3.6 Data collection and reporting credibility

27. We ask the following questions to determine if data collection and reporting will likely be of good quality.

- (a) **Are current reporting requirements sufficient for regular M&E?**
  - (i) Low risk. Reporting for M&E is well articulated.

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- (ii) Medium risk. Reporting for M&E is discussed but needs some clarification. We specify the missing information.
    - (iii) High risk. Reporting for M&E is discussed, but it is insufficient for credible and useful M&E. We specify the missing information.
    - (iv) Unclear. The quality of reporting plans for M&E cannot be determined from the information provided.
  - (b) **How feasible is it to measure and report credibly on the progress of investment criteria, given M&E plans, budget and indicators for investment criteria?**
    - (i) Low risk. M&E and reporting plans have a high potential to measure progress on investment criteria.
    - (ii) Medium risk. M&E and reporting plans are discussed but are likely not of high enough quality or backed by sufficient resources to measure progress against investment criteria adequately.
    - (iii) High risk. M&E and reporting plans related to progress on investment criteria are not well articulated and/or clearly lack the resources needed to measure progress.
    - (iv) Unclear. Insufficient or ambiguous information in the proposal prevents adequately evaluating the potential for the project to monitor and report on progress associated with investment criteria credibly.
  - (c) **To what extent did the proposal provide additional impact indicators beyond those proposed by the GCF? Can the proposal's indicators measure the magnitude of causal change?**
    - (i) Low risk. Indicators and measurements are well defined and can be used to measure impact.
    - (ii) Medium risk. Indicators and measurements lack specificity and measuring impact using the specified indicators may be challenging.
    - (iii) High risk. Indicators and measurements are vague and/or unclear. More detailed indicators are needed to measure impacts credibly.
    - (iv) Unclear. Insufficient information in the proposal to deduce the quality of indicators and measurements.
  - (d) **Have baseline data been collected and/or is there a requirement for this?**
    - (i) Low risk. Project will use baseline data, and the methods for collecting are well articulated.
    - (ii) Medium risk. Baseline data are discussed but need some clarification. Missing information to be specified.
    - (iii) High risk. Plans for collecting baseline data are not discussed despite a need to collect baseline data to inform an IE.
    - (iv) Unclear. Insufficient or ambiguous information in the proposal prevents adequately evaluating plans for collecting baseline data.
  - (e) **What is the potential quality of data and are they suitable for IEs?**

- (i) Low risk. Data to be collected will be of high quality.
- (ii) Medium risk. Data are likely to be of good quality.
- (iii) High risk. Data are likely low quality, or data collection plans are not specified/unclear.
- (iv) Unclear. Insufficient or ambiguous information in the proposal prevents evaluating the potential quality of data adequately.

28. We use these questions to assign each FP to high risk, medium risk, low risk or unclear categories for each of the questions. Assigning FPs to different risk categories should be made in conjunction with the individual project assessments (available on request). This will help the reader better understand the impact and feasibility of the proposals. Each approved project is assessed using these four lenses. The table summarizes the basic information of the proposal (number, implementer, period of funding, countries, and funding amount) and the results of the assessments, focusing on the ToC's quality, causal linkages, targeting strategy, and whether the proposal can rigorously inform the GCF investment criteria. We then aggregate these rankings. The overall results are discussed in the next section.

## IV. Stoplight analysis – results

29. In this section, we present the key findings from the stoplight analysis of the GCF project portfolio as of 31 December 2023. We first analysed overall changes across the four assessment areas. Then, we show the overall trends, followed by comparing the portfolio between the Initial Resource Mobilization (IRM) period (2015–2019) and the GCF-1 period (2020–2023). Finally, we provide a sector-specific analysis. In this report, we compare the energy and non-energy portfolios.<sup>17</sup>

30. As of B.37, the GCF has approved a total of 241 funded projects (both FP and SAP) after accounting for withdrawn, and lapsed projects. The following assessment examines these 241 funded projects, comprising 120 projects approved during the IRM period and 121 approved during the GCF-1 period.

### 4.1 Overall changes across the four assessment areas

31. The stoplight data are used to assess the quality and evaluability of the proposals at entry across four main areas as described earlier in the methods section. These areas are:

- (i) Theory of change
- (ii) Potential for measurement of causal change and evaluability
- (iii) Implementation fidelity and performance against investment criteria
- (iv) Data collection and reporting credibility

32. In category A, we assess the extent to which the pathways to impact are outlined using a ToC or logic model. The assessment seeks to determine if the ToC is explicit or implicit, to assess if

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<sup>17</sup> Data last verified on 18 February 2025.

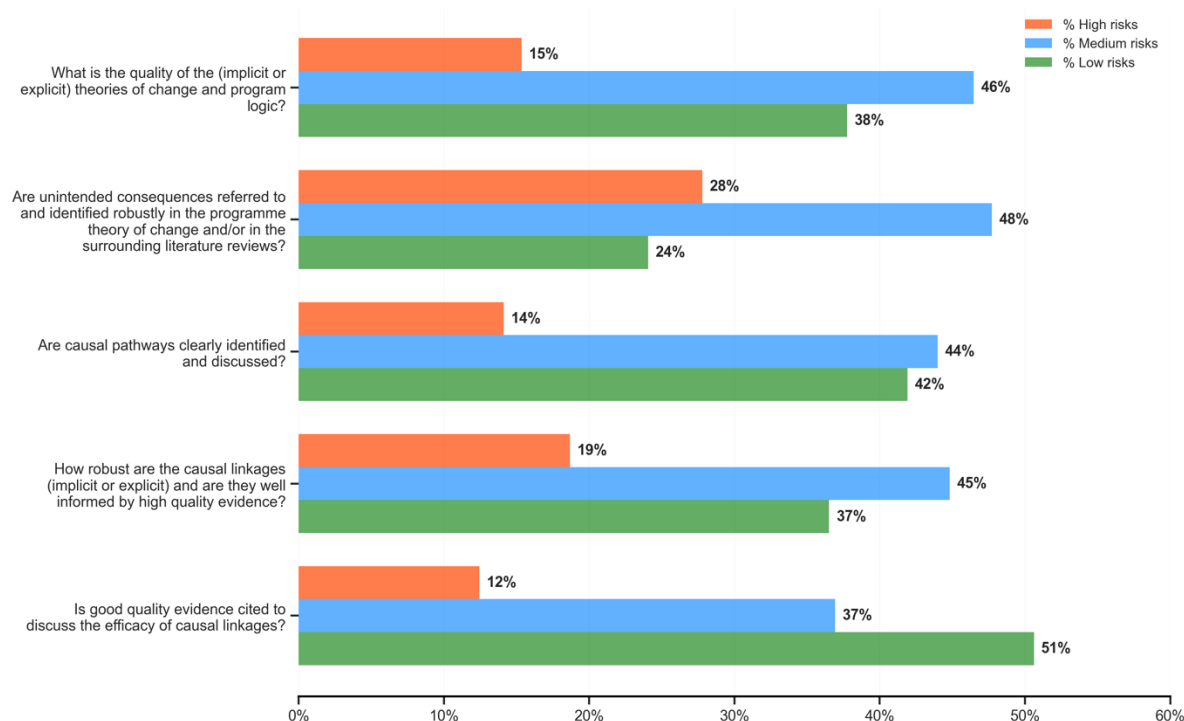


the proposal identifies and/or is cognizant of the potential externalities of its requested financing, and to ascertain the robustness of the evidence cited and used to build their programme (see **Figure 4**).

33. The best-performing criterion (most low-risk evaluations) concerns whether good quality evidence is cited when discussing causal linkages. Areas concerning the identification of causal pathways and the quality of the ToC exhibit a more balanced distribution of risk levels, indicating variability in how well these aspects are typically handled within the GCF portfolio. Referral to unintended consequences in the ToC continues to be a challenge for many projects (28 per cent at high risk).

34. Overall, there is still a consistent high-risk rating in all the categories, suggesting areas where programme design or evaluation methodologies may need improvement to reduce uncertainties or vulnerabilities in their theoretical frameworks.

**Figure 4. Stoplight assessment of the theory of change**



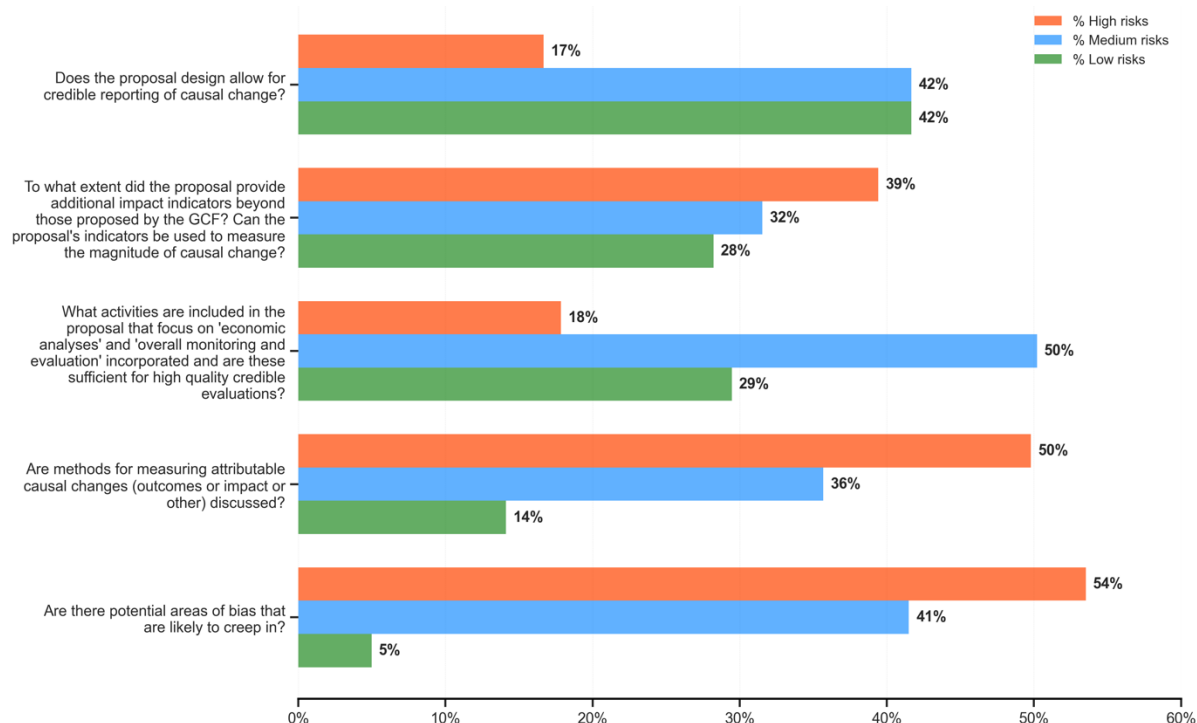
Source: Assessments of funding proposals as of 31 December 2023. Assessment and analysis performed by the authors.

35. In category B, we assess the ability to accurately measure, report and evaluate the economic impact and other changes due to the proposed activities. In other words, we seek to determine if the (claimed) causal effects of the proposed activities can be credibly measured by examining the FP's plans for M&E (see **Figure 5**).

36. The proposals generally indicate a high level of risk across most criteria in these categories, with particularly acute concerns regarding potential biases, where approximately 54 per cent are assessed as high risk. The areas involving economic analyses, monitoring and evaluation practices, and reporting of causal changes also display predominantly high risk, reflecting significant concerns about the adequacy and effectiveness of these proposals. Methods for measuring attributable causal

changes also show a high risk in the majority, highlighting potential weaknesses in how outcomes or impacts are evaluated. Overall, these results suggest that there are considerable risks and areas for improvement in the measurement of causal changes and evaluability assessed in these proposals

**Figure 5. Stoplight assessment of the potential for measurement of causal change and evaluability**

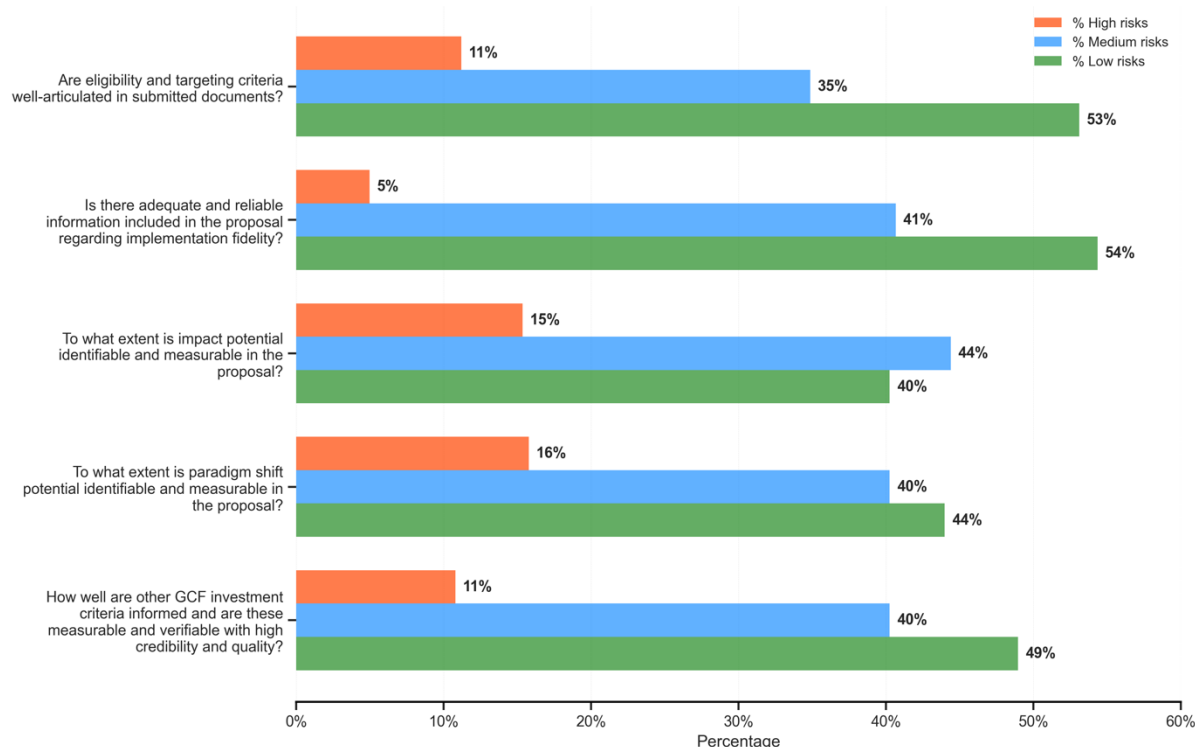


Source: Assessments of funding proposals as of 31 December 2023. Assessment and analysis performed by the authors.

37. In category C, we seek to assess if the project activities are well-targeted and to determine the programme's performance against GCF's investment criteria, the feasibility of the implementation plans for the overall programme, and if the proposal identifies relevant barriers to implementation and includes plans for recourse in the event of such constraints (see **Figure 6**).

38. The proportion of high risk is consistently lower across all the evaluation criteria, which reflects well on the proposal preparation and suggests there is overall good quality and thoroughness in the proposals against GCF investment criteria. The proposals generally perform well in articulating eligibility and targeting criteria and providing information on implementation fidelity, both showing a significant proportion classified as low risk. The evaluation of impact potential and paradigm shift potential also shows a more favourable low-risk distribution, indicating that these aspects are generally well-addressed in the proposals.

**Figure 6. Stoplight assessment of implementation fidelity and performance against investment criteria**

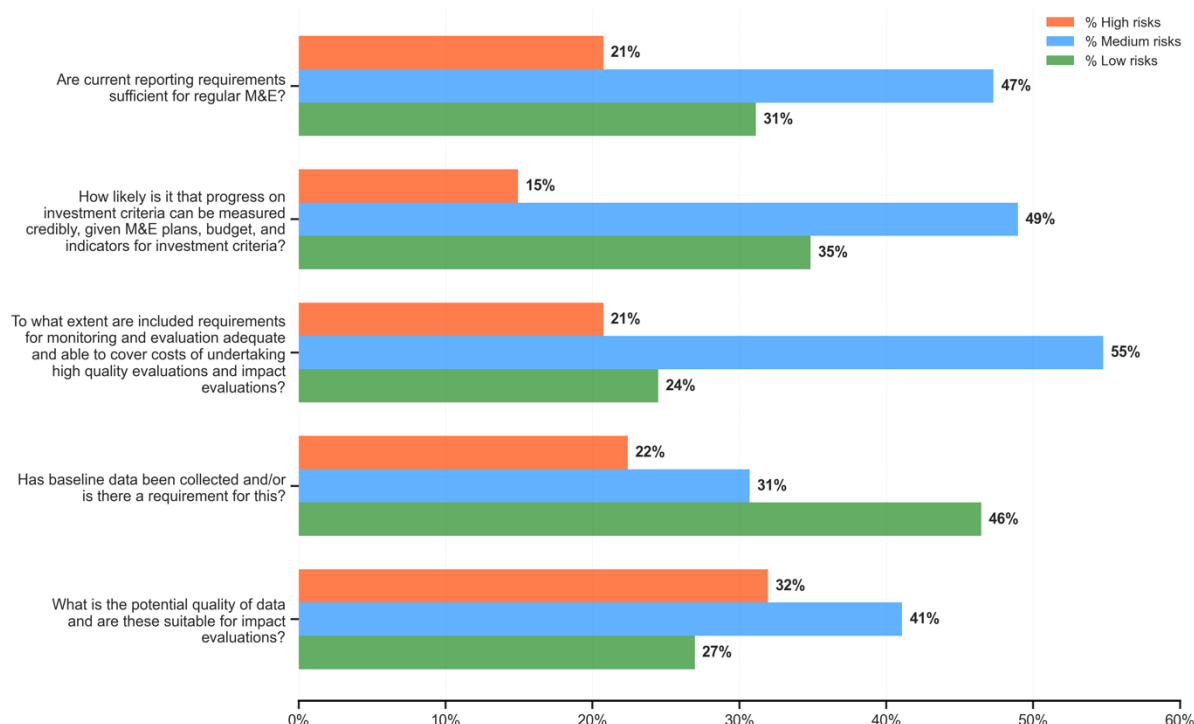


Source: Assessments of funding proposals as of 31 December 2023. Assessment and analysis performed by the authors.

39. Lastly, in category D, we assess whether the data collection and reporting processes outlined in the proposals are rigorous enough to help identify the causal effects of the GCF investment (see **Figure 7**).

40. The criterion on data quality for impact evaluations shows significant concerns with a large portion evaluated as high risk, indicating potential issues with data quality and suitability. Availability of baseline data is more favourably assessed with approximately 46 per cent at low risk, suggesting better practices or clarity in baseline data requirements. In terms of collecting or planning to collect additional impact indicators, the majority falls into medium risk, indicating that while there are efforts to extend impact indicators beyond GCF requirements, there is room for improvement. Credibility in reporting on investment criteria shows a substantial amount at medium risk, reflecting ongoing challenges but a reasonable foundation in M&E planning and budget alignment. Sufficiency of reporting requirements was predominantly assessed at medium risk, suggesting that while existing mechanisms are in place, they might not fully meet the M&E needs.

**Figure 7. Stoplight assessment of data collection and reporting credibility**



Source: Assessments of funding proposals as of 31 December 2023. Assessment and analysis performed by the authors.

## 4.2 Trajectories over time

41. **Figure 8** visualizes the distribution of criteria ratings by risk level (high, low and medium) over time, illustrating how the risk level of approved projects has evolved across Board meetings.<sup>18</sup> The data are derived by adding each project's risk scores (based on the stoplight rubric criteria), calculating the percentage of these scores relative to the total for each Board meeting or set of approved projects, and then dividing these percentages into the different risk categories.

42. At the initial data point (November 2015), more than 40 per cent of the criteria in project proposals were deemed high risk, whereas only about 20 per cent were rated as low risk. Over time, the proportion of criteria rated high risk has trended downward, evidenced by a slight decrease in the share of these ratings.

43. The solid lines in the graph represent actual data, while the dotted lines indicate linear regression trends – these trend lines provide a simplified view of how risk ratings have changed overall.<sup>19</sup> A rising dotted line suggests increasing risk exposure, whereas a declining line reflects a

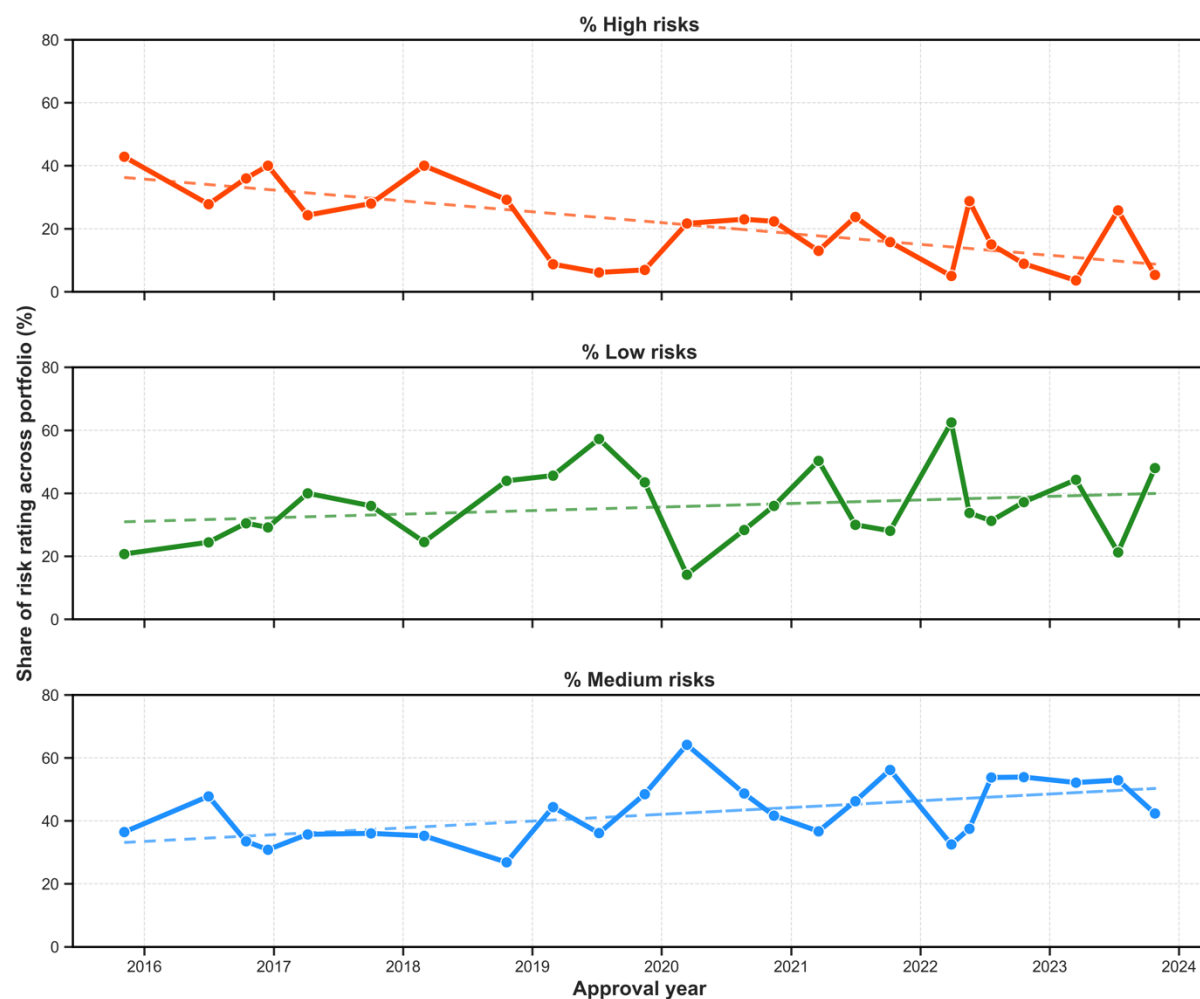
<sup>18</sup> Panels are arranged with high risk (top), low risk (middle), and medium risk (bottom) to enable clear comparison between risk categories while maintaining visual clarity.

<sup>19</sup> Note on dotted lines (linear regression trends):

- The dotted lines represent linear regression trend lines for each of the three categories (high, low and medium risk).

decrease in risk exposure. The negative slope for high-risk ratings corroborates a notable decline over the observed period.

**Figure 8. Trends in portfolio risk level over time<sup>20</sup>**



Source: Assessments of funding proposals as of 31 December 2023. Assessment and analysis by authors.

- These trend lines provide a simplified view of the overall directions of change, smoothing out short-term fluctuations.
- A rising dotted line indicates an increase in the respective risk exposure, whereas a falling line points to a decrease in that risk level over time.

<sup>20</sup> Dotted lines show linear regression trends. These trend lines provide a simplified visualization of the overall direction of change over the time period. A rising line indicates an increasing trend in risk exposure, while a declining line indicates a decreasing trend.

### 4.3 Stoplight assessment (risk index) by IRM vs. GCF-1

44. In the previous section, we showed the risk trend identified by the stoplight analysis over time. The share of the “high” risk rating decreases over time compared to that of the “low” or “medium.” In this section, we compare the risk ratings of the four main assessment areas between the IRM period (2015–2019) and the GCF-1 period (2020–2023). To compare the aggregated ratings of the two periods, we constructed a risk index. It is a share of the risk ratings (low, medium, high) of the corresponding portfolio in the reference period. The index takes 1 for a low, 3 for a medium, and 5 for a high-risk rating. It means the lower the risk index, the better when comparing the index between two assessment periods.

**Table 3. A. Comparison of the stoplight assessment (risk index) between IRM (2015–2019) and GCF-1 (2020–2023)**

ASSESSMENT CRITERIA	IRM	GCF-1	CHANGE
A. Theory of change	2.61	2.57	-0.04
B. Measurement of causal change	3.4	3.07	-0.36
C. Implementation fidelity	2.17	2.36	+0.19
D. Data collection and reporting	3.12	2.45	-0.67

Source: Assessments of funding proposals as of 31 December 2023. Assessment and analysis by authors.

45. Analysis of the changes between periods reveals:

- (i) **Theory of change:** A minimal decrease (-0.04) in risk score, suggesting slight improvement in project logical frameworks.
- (ii) **Measurement of causal change:** A notable decrease (-0.36) in risk score, indicating moderate improvement in how projects establish and measure cause-effect relationships.
- (iii) **Implementation fidelity:** An increase (+0.19) in risk score, signalling a minor deterioration in how closely projects adhere to their implementation plans.
- (iv) **Data collection and reporting:** A significant decrease (-0.67) in risk score, demonstrating substantial improvement in how projects gather, analysed, and report data.

46. When interpreting these changes, shifts greater than 0.5 (as seen in data collection and reporting) represent moderate improvements, while changes approaching or exceeding 1.0 would indicate major shifts in project risk profiles. The overall trend suggests meaningful progress in risk reduction across most assessment criteria during the GCF-1 period.

## 4.4 Stoplight assessment by energy vs. non-energy projects

47. As part of the evaluability study's stoplight assessment, the team also assessed the quality at entry of the energy-related projects in comparison to non-energy projects. This disaggregated analysis was part of the Independent Evaluation of the GCF's Approach to the Energy Sector and contributed as an input to the evidence collected for portfolio-level monitoring and evaluation of the energy projects.

48. The team used the four lenses of the evaluability study (the theory of change; potential to measure and report causal change; implementation fidelity and performance against investment criteria; and data collection and reporting credibility) to assess the potential for the internal validity of FPs. Based on the stoplight assessment framework, a key finding was that energy projects present weaker requirements for monitoring and evaluation compared to the rest of the portfolio. More details are provided below.

49. Reflecting on the ToC, the study found that 82 per cent of energy-related projects have a well-articulated ToC or that a logic framework/TOC is present but needs some clarification (rated low risk or medium risk), compared to a similar proportion (82 per cent) of the non-energy related projects. On the other hand, 37 per cent of energy-related projects are rated as high risk, as their unintended consequences are neither identified nor discussed anywhere in the TOC, although they are potentially substantial given the project design.

50. The team also assessed the potential ability of the energy-related projects to credibly measure and report causal change. For 56 per cent of the energy-related projects, the requirements for monitoring and evaluation are not specified or cannot be determined from the information provided in the proposals; this figure was 36 per cent for the non-energy-related projects. Overall, for more than half of the energy-related projects, the GCF will not be able to determine whether causal change can be attributed to its investment in a credible manner.

## V. Discussion

### 5.1 Summary discussion, comparison of IRM and GCF-1 periods

51. Through the stoplight analysis, we reviewed the FPs and summarized risks, and other issues related to results measurement and the information presented in each FP. The distribution of risk ratings across four main assessment areas and respective assessment criteria can be found in appendix 1. In this section, we highlight assessment criteria which showed improvement or require attention between the IRM and GCF-1 periods, focusing specifically on "high risk" ratings.

52. Several criteria showed notable improvement. The percentage of high-risk proposals regarding "quality of theories of change and programme logic" decreased from 20 per cent to 11 per cent (a 9-percentage point improvement). Similarly, proposals with high-risk ratings for "GCF investment criteria being measurable and verifiable with high credibility" decreased from 16 per cent to 6 per cent (a 10-percentage point improvement). The most significant progress was observed in baseline data collection, where high-risk designations dropped dramatically from 38 per cent to just 7 per cent (a 31-percentage point improvement). It is apparent that clear guidance



and alterations to the templates and requirements from the Secretariat contributed to clarifying GCF requirements and helping AEs address aspects related to the ToC, investment criteria, and baseline data in the FPs.

53. On the other hand, some areas showed deterioration. The percentage of high-risk proposals regarding “credible reporting of causal change” increased from 13 per cent to 20 per cent (a 7-percentage point worsening). Similarly, proposals with high-risk ratings for “adequate and reliable information regarding implementation fidelity” increased from 3 per cent to 7 per cent (a 4-percentage point worsening). Since credible reporting of causal change is a fundamental requirement for assessing the impact of GCF investments, it is important for AEs to clearly articulate how they will document and report the causal change of projects in their FPs.

**Table 4. A. Comparison of high-risk assessment criteria: IRM (2015–2019) vs. GCF-1 (2020–2023)**

OBSERVATIONS	ASSESSMENT CRITERIA	IRM (N=120)	GCF- 1(N=121)	CHANGE(pp) <sup>21</sup>
		% High risks	% High risks	
Improved areas	A: What is the quality of the (implicit or explicit) theories of change and programme logic?	20%	11%	-9 pp ↓
	C: How well are other GCF investment criteria informed and are these measurable and verifiable with high credibility and quality?	16%	6%	-10 pp ↓
	D: Have baseline data been collected and/or is there a requirement for this?	38%	7%	-31 pp ↓
Deteriorated areas	B: Does the proposal design allow for credible reporting of causal change?	13%	20%	+7 pp ↑
	C: Is there adequate and reliable information included in the proposal regarding implementation fidelity?	3%	7%	+4 pp ↑

Source: Assessments of funding proposals as of 31 December 2023. Assessment and analysis by authors.

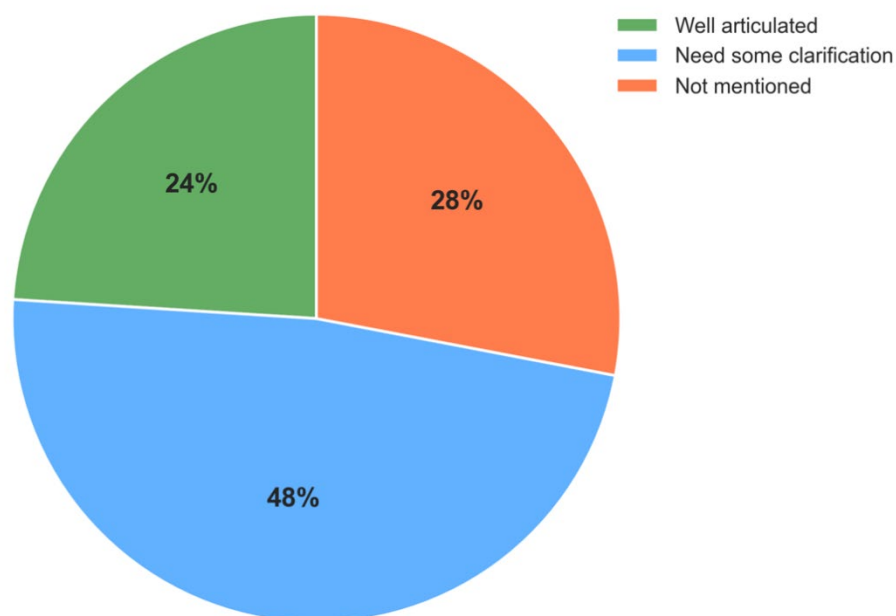
Note: pp = percentage point.

<sup>21</sup> Negative values indicate improvement (reduction in high risk), while positive values indicate worsening (increase in high risk). The percentage point change shows the magnitude of difference between the GCF-1 and IRM assessment periods.

## 5.2 Discussion of risk for unaccounted-for unintended consequences and their implication for the GCF

54. Another point is around unintended consequences of the funded activities. Addressing unintended consequences in the FP continues to be a challenge at large. The analysis of this chart highlights a significant area for improvement in how unintended consequences are addressed in programme theories of change. Specifically, there is a need to enhance the articulation and inclusion of unintended consequences to ensure that they are adequately considered and mitigated in programme planning and execution. Only 24 per cent of the FPs well-articulated unintended consequences at the project proposal stage while another 28 per cent have no mention of unintended consequences. Due to its nature and the imposed word limit of the new FP template, it might be difficult to fully identify unintended consequences ex-ante. However, since it can adversely affect the impact of GCF investments, it would be important to include such considerations when developing and reviewing the FPs.

**Figure 9. Are unintended consequences referred to and identified robustly in the programme ToC and/or in the surrounding literature reviews?**



Source: Assessments of FPs as of 31 December 2023. Assessment and analysis by authors.

### 5.3 Conclusion and the way forward

55. Evaluability is defined as the extent to which an activity or project can be evaluated in a reliable and credible fashion among international development communities.<sup>22</sup> The study of evaluability is not undertaken to assess an intervention itself nor what has been achieved but is done to provide indication of the likelihood of successfully evaluating interventions in the future. Depending on its use it can be a powerful tool for management, accountability, and learning.

56. This study reviewed 241 FPs approved up to B.37 in 2023. We assessed and compared the quality at entry of these proposals based on a risk assessment described above. Our findings indicate that overall evaluability has improved over time, reflected in a decline in high-risk ratings and a corresponding increase in low and medium risk ratings. We also analysed the risk ratings across the four main assessment areas by comparing the IRM period (2015–2019) and the GCF-1 period (2020–2023). To do so, we constructed a risk index (with ratings of 1–5), where 1 represents low risk and 5 represents high risk, with a lower index indicating better outcomes. Our analysis shows improvements in three out of the four assessment criteria during the GCF-1 period compared to the IRM period. However, for the criterion *C Implementation Fidelity*, we observed a slight increase of 0.19 in the risk index, and further investigation is required into the underlying causes of this trend.

57. We observe that some of the efforts and improvements in streamlining the information provided in the FPs' capacity building efforts, by both the Secretariat and the IEU over time, have likely contributed to improvements in the quality of FPs, their data quality, and reporting.

58. However, ensuring the continued improvement, effectiveness, and ultimate impact of GCF-funded projects calls for several further actions:

- (i) **Establish project development based clear guidelines and templates:** Consider developing guidelines and templates for proposal submissions that emphasize the importance of robust theories of change, clear causal pathways, and the identification of potential unintended consequences. Updates of these guidelines should be informed by feedback and lessons learned from previous assessments to ensure they remain relevant, timely and effective. Too frequent changes may put additional burden on implementing entities.
- (ii) **Support the strengthening of M&E systems:** Further support the capacity of AEs in designing and implementing high-quality M&E systems. This includes training on best practices for project and impact evaluation, data collection, and reporting. Encourage the use of innovative M&E tools and methodologies that can provide

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<sup>22</sup> Organisation for Economic Co-operation and Development (2010). Quality Standards for Development Evaluation. DAC Guidelines and Reference Series, p.21. Paris. Available at [https://www.oecd.org/en/publications/dac-quality-standards-for-development-evaluation\\_9789264083905-en.html](https://www.oecd.org/en/publications/dac-quality-standards-for-development-evaluation_9789264083905-en.html).

more accurate and timely insights into project performance and impact. The use of established national monitoring systems may become important.

- (iii) **Improve data quality and reporting mechanisms:** Consider more standardized and yet flexible approaches to data collection and reporting requirements to ensure consistency and reliability across all projects. This includes establishing clear criteria for baseline, midline and endline data collection, beyond the integrated results management framework (IRMF). A centralized data management system could also facilitate real-time tracking and analysis of project performance and impact.
- (iv) **Promote a culture of learning and continuous improvement:** Actively encourage a learning-oriented approach within the GCF ecosystem by regularly sharing evaluation findings, lessons learned, and best practices. Create platforms for knowledge exchange and peer learning among AEs, project implementers, and other stakeholders to facilitate the dissemination of effective strategies and innovations.
- (v) **Strengthen stakeholder engagement and collaboration:** Strengthen collaboration with local communities, governments, and other stakeholders to ensure that projects are contextually relevant and have strong local ownership. Encourage multi-stakeholder partnerships to leverage additional resources, expertise, and support for GCF-funded projects.

## Appendix. Summary Tables

**Table A - 1. Stoplight assessment of the theory of change (by replenishment period)**

PERIOD	IRM			GCF-1		
A. Theory of change	% Low risks	% Medium risks	% High risks	% Low risks	% Medium risks	% High risks
What is the quality of the (implicit or explicit) theories of change and programme logic?	38%	42%	20%	38%	51%	11%
Are unintended consequences referred to and identified robustly in the programme ToC and/or in the surrounding literature reviews?	38%	43%	19%	11%	53%	36%
Are causal pathways clearly identified and discussed? (This is discussed in the context of the ToC and the credibility and feasibility of the pathways.)	37%	43%	20%	47%	45%	8%
How robust are the causal linkages (implicit or explicit) and are they well informed by high quality evidence?	33%	42%	24%	40%	47%	13%
Is good quality evidence cited to discuss the efficacy of causal linkages?	50%	37%	13%	51%	37%	12%

**Table A - 2. Stoplight assessment of the potential for measurement of causal change and evaluability (by replenishment period)**

PERIOD	IRM			GCF-1		
B. Potential for measurement of causal change and evaluability	% Low risks	% Medium risks	% High risks	% Low risks	% Medium risks	% High risks
Does the proposal design allow for credible reporting of causal change?	53%	34%	13%	31%	50%	20%
To what extent are included requirements for M&E adequate and able to cover costs of undertaking high-quality impact evaluations?	24%	50%	26%	25%	60%	16%
Are activities included in the proposal that focus on “economic analyses” and “overall monitoring and evaluation,” and are these sufficient for high-quality credible evaluations?	32%	48%	21%	29%	55%	16%
Are methods for measuring attributable causal changes (outcomes or impact or other) discussed?	15%	28%	57%	13%	43%	43%
Are there potential areas of bias that are likely to creep in?	2%	28%	70%	7%	55%	37%

**Table A - 3. Stoplight assessment of implementation fidelity and performance against investment criteria (by replenishment period)**

PERIOD	IRM			GCF-1		
C. Implementation fidelity and performance against investment criteria	% Low risks	% Medium risks	% High risks	% Low risks	% Medium risks	% High risks
Are eligibility and targeting criteria well-articulated in submitted documents?	59%	26%	15%	48%	44%	8%
Is there adequate and reliable information included in the proposal regarding implementation fidelity?	79%	18%	3%	30%	64%	7%
To what extent is impact potential identifiable and measurable in the proposal?	49%	37%	14%	31%	52%	17%
To what extent is paradigm shift potential identifiable and measurable in the proposal?	47%	31%	22%	41%	50%	9%
How well are other GCF investment criteria informed and are these measurable and verifiable with high credibility and quality?	44%	40%	16%	54%	40%	6%



**Table A - 4. Stoplight assessment of data collection and reporting credibility (by replenishment period)**

PERIOD	IRM			GCF-1		
D. Data collection and reporting credibility	% Low risks	% Medium risks	% High risks	% Low risks	% Medium risks	% High risks
Are current reporting requirements sufficient for regular M&E?	28%	46%	26%	34%	50%	16%
How feasible is it to measure and report credibly on the progress of investment criteria, given M&E plans, budget and indicators for investment criteria?	25%	59%	16%	46%	40%	14%
To what extent did the proposal provide additional impact indicators beyond those proposed by the GCF? Can the proposal's indicators be used to measure the magnitude of causal change?	19%	21%	60%	38%	43%	19%
Have baseline data been collected and/or is there a requirement for this?	28%	34%	38%	66%	28%	7%
What is the potential quality of data, and are these suitable for impact evaluations?	20%	32%	48%	34%	50%	16%

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