GREEN CLIMATE FUND | Independent Evaluation Unit

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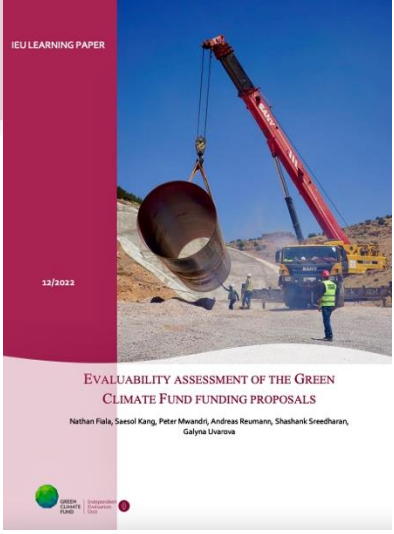
LEARNING PAPER SUMMARY:

A second study of the evaluability of Green Climate Fund funding proposals



The IEU's Learning Paper Series fosters learning and discussion of climate evaluation, low-emission and climate-resilient development pathways. This 2-page summary overviews IEU's continuing efforts to assess the ability of funding proposals to enable robust results measurement.[1]

Background

The learning paper summarized in this brief continues the Independent Evaluation Unit's effort to assess how effectively project funding proposals approved by the Green Climate Fund (GCF) enable robust monitoring and evaluation when implemented. The series began with the 2019 IEU working paper, "Becoming bigger, better, smarter: A summary of the evaluability of Green Climate Fund proposals".[2] The paper addressed here examines the progress made by projects in delivering a cost-effective impact on climate adaptation and mitigation during the GCF's 2020-2023 replenishment period.

Key question

The learning paper asks the question: to what extent can GCF-supported projects credibly report their impacts, efficiency and effectiveness in an evidence-based and robust way? The IEU poses 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 shift is occurring and how much of it is due to the GCF. The GCF's contribution to the shift requires GCF project investments to credibly measure if they achieve their stated goals.

Second, measurement in climate change is challenging. Climate change action requires large numbers of people to individually effect change at the same time, delivering en masse a measurable transformative change. While it will be hundreds of years before the results of individual actions on global climate change become apparent, we can assess the likelihood of current investments yielding these results. The GCF should examine this likelihood so that it can reliably report its predicted overall contribution to these results.

Aims of the study

The learning paper presents the IEU's study of 190 approved FPs in GCF's project portfolio as of 31 December 2021 (an overview of the GCF's portfolio and project cycle is available overleaf). The study's two main aims consist of (i) assessing the quality of the proposals for GCF approved projects so that project managers can produce stronger proposals with a higher prospect of reporting quantified results and achieving success and (ii) informing the GCF investment criteria, embedding evidence-based learning opportunities in GCF projects and processes, and gauging the implementation and overall impact of GCF resources.

Achieving these two aims will help to identify risks and alert GCF managers in currently supported projects, enhance the quality of proposals, improve results measurement and foster discussion of the measurement methods suitable for proposals. Such discussion and the use of robust methods will allow the GCF to report its overall impact measurably and credibly.

Assessment categories

The study uses four categories to examine proposals: (i) Theory of change (ToC), (ii) Potential for measurement of causal change and evaluability, (iii) Implementation fidelity and performance against investment criteria, and (iv) Data collection and reporting credibility.

Findings

Theory of Change: The study assesses how effectively proposals use a theory of change or logic model to describe pathways to impact. It finds that most proposals, explicitly or implicitly, outline their programme logic and reasonably substantiate the credibility of their claims about causal

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1. The citation for the learning paper summarized in this brief is: Fiala, Nathan, and others (2022). Evaluability assessment of the Green Climate Fund funding proposals. IEU learning paper (December). Songdo, South Korea: Independent Evaluation Unit, Green Climate Fund.
2. Fiala, N., Puri, J., Mwandri, P. (2019). Becoming bigger, better, smarter: A summary of the evaluability of Green Climate Fund proposals. IEU Working Paper No. 1, Green Climate Fund. Songdo, South Korea

pathways. Some 36 per cent of approved proposals cite good evidence supporting their causal claims. An area for improvement is acknowledging and planning for unintended consequences. Only 34 per cent of proposals satisfactorily accounted for any unintended consequences of their GCF funding, and 28 per cent ignored the issue.

Potential for measurement of causal change and evaluability: The study assesses the proposals' monitoring and evaluation (M&E) plans to determine if the claimed causal effects of the proposed activities are credibly measurable. While most proposals refer to planned M&E activities, few provide specific information regarding their evaluation strategies and planned actions to ensure attributable change is measured. Several proposals claim they will track results over time. Still, these are either unaccompanied by any qualifying statements regarding methodology or neglect the temporal and spatial risks to their estimates. The findings indicate a common misunderstanding exists regarding M&E's role in measuring causal change.

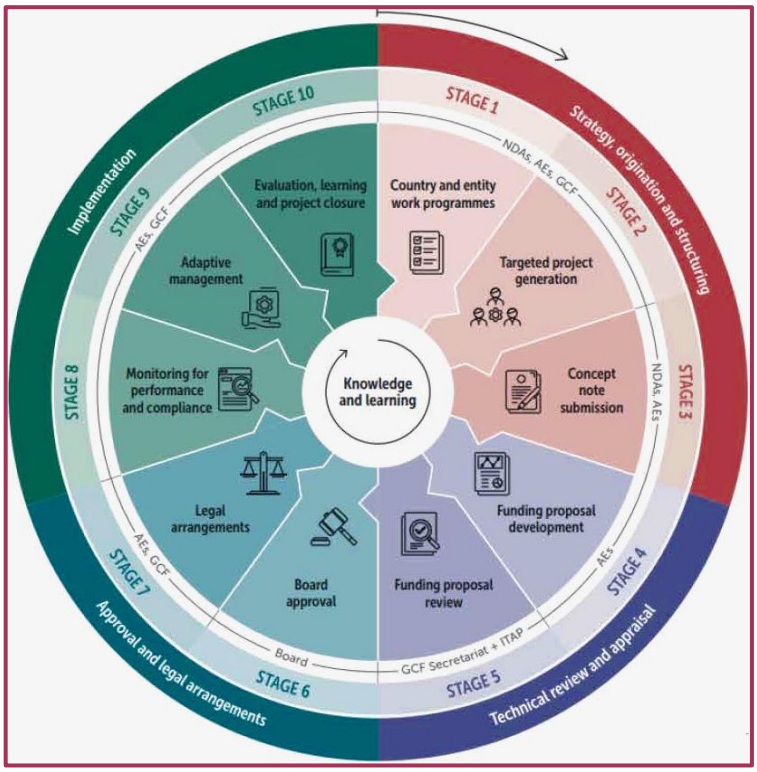
Implementation fidelity and performance against investment criteria: The study assesses if the project activities are well-targeted and measure the project's performance against the GCF's investment criteria. It also examines the feasibility of the proposal's implementation plans, whether it addresses barriers to implementation and if it includes plans for recourse should constraints arise. Most proposals include thorough descriptions of their implementation plans and their performance. However, some proposals do not fully establish the links between project performance against investment criteria and the specific activities and outputs in their ToC. Additionally, 63 per cent of all proposals identify potential risks to implementation fidelity and discuss steps to address them.

Data collection and reporting credibility: The study assesses if the data collection and reporting processes in GCF funding proposals submitted by accredited entities are rigorous enough to identify the GCF investment's causal effects. Thirty-six per cent of proposals indicated they already had or intended to collect baseline data for evaluative purposes. A further 33 per cent referred to plans for developing a baseline or equivalent exercise, such as acquiring relevant administrative records. Only 27 per cent of proposals adequately identified the frequency and level of data collection and reporting necessary to ensure M&E activities continue unhindered. While the study found that data collection and reporting requirements in FPs are adequate for overall M&E, the transparency and preparedness in a full-fledged evaluation could be improved. Nevertheless, over 80 per cent of FPs have systems and budgetary allocations in place or in their plans to design and conduct an evaluation in their proposal. While their evaluation plans might need reviewing, their data collection and reporting plans follow their proposed evaluation strategies.

Overview of GCF's portfolio and project activity cycle

The GCF's portfolio contains: (i) mitigation projects that help developing countries reduce or mitigate their greenhouse gas emissions, (ii) adaptation projects that help countries adjust to the likelihood of climate and weather shocks, and (iii) cross-cutting projects that support mitigation and adaptation.

The GCF project approval cycle is comprised of 10 stages, from project origination to closure, as shown in the accompanying diagram. The stages are managed by the Secretariat and the GCF's independent units. The knowledge management and learning component is central to the final stage of the project activity cycle. Lessons learned inform both the project origination process and the closing of the project activity cycle in the future for GCF and the AE.



Abbreviations: AE = accredited entity, NDA = national designated authority, ITAP = independent Technical Advisory Panel.