



## Terms of Reference

### Second Performance Review of the Green Climate Fund

June 2021

#### I. Aims

On the 14<sup>th</sup> November 2020 at 3.30am KST, the Green Climate Fund (GCF) Board in decision B. 27/11 approved the 2021 Workplan of the Independent Evaluation Unit (IEU) of the GCF, which includes, among other things, the undertaking of the second performance review of the GCF. This Terms of Reference outlines the background, objectives, evaluation questions, methods and approaches, structure of the evaluation team and responsibilities, alongside timelines and deliverables.

#### II. Background information

The Governing Instrument of the GCF states that the Fund will contribute to achieving the objectives of the United Nations Framework Convention on Climate Change (UNFCCC). The GCF promotes a paradigm shift towards low-emission and climate resilient development pathways in developing countries. As an operating entity of the Financial Mechanism of the UNFCCC, the GCF provides support for climate change mitigation and adaptation projects and programmes in developing countries.

The IEU has a mandate for discharging both an accountability function and supporting a learning function.<sup>1</sup> Both are central to the GCF as a learning organization and are laid out in its Governing Instrument and its Initial Strategic Plan.<sup>2</sup> The responsibilities of the IEU are<sup>3</sup>:

*Evaluation:* The IEU undertakes independent overall, portfolio, country, thematic, programme evaluations that inform GCF strategic result areas.<sup>4</sup> In key cases, it can also support and undertake project evaluations. The IEU uses relevant and innovative methods and an independent peer review mechanism that provides guidance on independent evaluations. The vision, criteria and guidelines are being laid out in the independent evaluation policy. The IEU is also mandated to independently peer review and attest the quality of GCF self-evaluation.<sup>5</sup>

*Advisory and capacity support:* The IEU advises the Board by synthesizing findings and lessons learned from its evaluations. These findings and lessons inform the Secretariat and other GCF stakeholders.<sup>6</sup> The IEU engages closely with the independent evaluation units of intermediaries and implementing entities of the GCF, including national designated authorities (NDAs) and accredited entities (AEs). It provides support to catalyse learning and build and strengthen NDA and AE evaluation capacity. It also provides guidelines and support evaluation-related research that helps produce rigorous evidence in GCF result areas.

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<sup>1</sup>Decision GCF B.16/07

<sup>2</sup> Decision GCF/B.06/06 and Document GCF/B.06/18, annex II

<sup>3</sup> Document GCF/B.19/21

<sup>4</sup> Decision GCF/B.05/03, Annex 1

<sup>5</sup> Decisions B.12/12 and B.12/20

<sup>6</sup> Decision B.06/09, Annex III

*Learning:* The IEU supports the learning function of the GCF by ensuring that recommendations from independent evaluations are incorporated into the Secretariat's functions and processes. This includes recommending improvements to the GCF's performance indicators and its initial results framework, after accounting for international experience and the results of the evaluation.<sup>7</sup>

*Engagement:* The IEU actively participates in relevant evaluation networks to ensure that it is at the frontier of evaluation practice. The IEU involves its own staff and staff from NDAs and AEs in evaluations wherever feasible and appropriate. Also, the IEU supports knowledge hubs of low-emission and climate resilient pathways.<sup>8</sup>

The Governing Instrument of the GCF outlines how the Fund is mandated to provide new, additional, adequate, and predictable adaptation support to developing countries. The Board is mandated to use minimum allocation floors to take into account the urgent and immediate needs of developing countries especially Least Developed Countries, (LDCs), Small Island Developing States (SIDS) and African States. At the same time, the Board is mandated to achieve an appropriate geographical balance in the allocation of adaptation resources.

### III. The background for the second performance review

The Governing Instrument of the GCF includes a section on evaluations, and inter alia, provides for the evaluation function and the establishment of the IEU:

“59. There will be periodic independent evaluations of the performance of the Fund in order to provide an objective assessment of the results of the Fund, including its funded activities and its effectiveness and efficiency. The purpose of these independent evaluations will be to inform decision-making by the Board and to identify and disseminate lessons learned. The results of the periodic evaluations will be published.

60. To this end, the Board will establish an operationally IEU as part of the core structure of the Fund. The head of the Unit will be selected by, and will report to, the Board. The frequency and types of evaluation to be conducted will be specified by the unit, in agreement with the Board.

61. Reports of the Fund's independent evaluation unit will be provided to the Conference of the Parties (COP) for purposes of periodic reviews of the financial mechanism of the Convention.

62. The COP may commission an independent assessment of the overall performance of the Fund, including Board performance.”

The Board established the IEU and approved its TORs at the sixth meeting of the GCF Board with the following objectives, derived from the Governing Instrument:<sup>9</sup>

- a) Informing the decision-making by the Board and identifying and disseminating lessons learned, contributing to guiding the Fund and stakeholders as a learning institution, providing strategic guidance;
- b) Conducting periodic independent evaluations of Fund's performance in order to provide an objective assessment of the Fund's results and the effectiveness and efficiency of its activities; and
- c) Providing evaluation reports to the Conference of the Parties (COP) to the UNFCCC for purposes of periodic reviews of the financial mechanism of the Convention.

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<sup>7</sup> Decision B.06/09, Annex III

<sup>8</sup> Decision GCF/B.05/03, Annex I

<sup>9</sup> Annex III to Decision B.06/09

At its twenty-seventh meeting in October 2020, the Board adopted the Updated Strategic Plan 2020-2023, with specific expectations from the second performance review:

“38. With a view to enhance delivery of the GCF strategic vision towards 2050, the second performance review of the GCF will incorporate a review of how effectively GCF programming and operations have evolved from the IRM period to deliver the vision, objectives and priorities in the Strategic Plan for 2020-2023, complemented by a Secretariat-led review of the GCF policy frameworks. This will in turn inform work to further assess opportunities for GCF strategic programming in the second replenishment period (GCF-2), taking account of needs identified in country programmes and an evidence-based understanding of GCF programming potential.”

39. Findings of both the second performance review and strategic programming exercise will inform the Board’s consideration of a further update to the Strategic Plan in 2023, covering objectives and priorities for 2024-27, with a view to this being in place before the commencement of GCF-2.”

Also at its twenty-seventh meeting, the Board of the GCF approved IEU’s annual work plan for 2021.<sup>10</sup> This workplan includes provisions for the second performance review (SPR) of the GCF in 2021, subject to budget approval.

“16. The SPR will assess GCF’s progress in delivering its mandate as set out in the GI and during its first replenishment period. In particular, it will examine the institutional architecture and performance; the quality of implementation and effectiveness and performance of the portfolio; cost-effectiveness of implementation, including an assessment of impact; coherence and complementarity of the GCF approach within the climate finance landscape and particularly the extent to which the GCF’s investments and strategies incorporate gender considerations. It will also examine GCF’s various financial instruments and modalities for their likely effectiveness and efficiency and constructively layout any gaps that may be addressed in the GCF’s strategy. The evaluation will also be informed by a synthesis of previous IEU evaluations (including country ownership, the ESS evaluation, the independent review of SAP and the independent synthesis of the accreditation function as well as those undertaken in 2021) and global evidence reviews.”

In June 2021, the Board of the GCF decided to initiate the SPR of the performance of Green Climate Fund for the GCF-1 programming period, in a manner appropriate to the current stage of the Green Climate Fund operations, while recognising that the GCF will be a continuously learning institution guided by processes of monitoring and evaluation.

#### **IV. Objectives and evaluation questions**

While initiating the SPR, the Board agreed that the scope of the SPR will be to assess:

- (a) Progress made by the GCF in delivering on its mandate as set out in the Governing Instrument as well as in terms of its strategic and operational priorities and actions as outlined in the Updated Strategic Plan for 2020-2023, in particular the extent to which the GCF has: responded to the needs of developing countries and the level of country ownership; the ability of the Fund to catalyse public and private climate finance, including the use of financial instruments; and supported the building of institutional capacity in developing countries and AE.

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<sup>10</sup> Decision GCF B.27/08

- (b) Performance of the GCF in promoting the paradigm shift towards low-emissions and climate resilient development pathways, including the effectiveness of the funded activities and its effectiveness and efficiency.

The evaluation will consider several key questions, which may be further developed and finalized well into the inception phase of the evaluation. The key areas may include, but not limited to:

- 1) Institutional Architecture and Performance
- 2) Quality of implementation and effectiveness and performance of the portfolio
- 3) Cost-effectiveness of implementation
- 4) Coherence and complementarity within the climate finance landscape; gender considerations

Institutional architecture and performance

### **1. Institutional architecture and performance**

The GCF has a unique structure<sup>11</sup>, drawing from the Governing Instrument and developed through the decisions of the Board. In this key area, the SPR will examine the architecture and performance of the institution and examine these dimensions from the perspective of effectiveness and efficiency in delivering this mandate. This review should consider the Zedillo report, and consider the work of experts such as Johannes Linn.<sup>12</sup> This key area of the SPR will particularly look at the following areas.

**Doing right things.** This section of the review will provide an assessment of the governance needs of the GCF. It will assess whether the institutional structure is able to translate the mandate provided in the Governing Instrument, and how responsive and relevant this structure is to the needs of the vulnerable communities. In addition, this will provide an assessment of the business model of the GCF and institutional incentive provided to GCF partners.

**Doing things right.** The second part of this analysis will illustrate the established structure and ask how the how the governance is organized and how effective are the structures and processes. For the purpose of this analysis, the institutional architecture will include areas such as operations for governance, management, audit function, strategy, risk management, ethics, compliance, accountability, monitoring, IT, etc. To answer this challenging question, the evaluation will develop indicators to assess the success of institutions and may consider the time taken for decision as well as their quality.

### **2. Quality of implementation and effectiveness and performance of the portfolio**

In this second key area, the SPR will examine the quality of implementation of GCF projects and programmes. Quality of implementation is known to be a key factor to determine the effectiveness and performance of the portfolio, and ultimately a determinant of impact. Drawing from the literature on implementation science (which is particularly prevalent only in the areas of health and

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<sup>11</sup> Megan Bowman & Stephen Minas (2019) Resilience through interlinkage: the Green Climate Fund and climate finance governance, *Climate Policy*, 19:3, 342-353, DOI:10.1080/14693062.2018.1513358

<sup>12</sup> Linn, J. (2017). Recent Threats to Multilateralism. *Global Journal of Emerging Market Economies*, 9(1-3), 86-113. <https://doi.org/10.1177/0972063417747765>

education) and other evaluation-related disciplines, this key area will assess quality and fidelity of implementation.<sup>13, 14</sup>

This area will answer questions such as: what the plans for delivery are, characteristics of projects, self-assessments, and how were these implemented. The SPR will examine the challenges faced by projects in relation to the experience on the ground (and the response of the GCF); the pre-requisites (within of the constraints of the business model and second-level due diligence position) for high quality implementation by the GCF. In addition, the SPR will ask: within the constraints of the existing business model, to what extent can the GCF implement projects in the best possible manner? What are the attributes of high quality implementation by the GCF? What is the role of timing of GCF funded activities, projects and programmes? How does the GCF weigh implementation risks against other forms of risk, such as financial efficiency risks, idea risks, legal risks, climatic risks, etc.? To what extent do the relationships between actors and the challenges they face influence the performance of the portfolio in terms of impact?

Overall, this section will determine results and impacts of the GCF so far, and the performance in the delivery of its mandate.

### **3. *Cost-effectiveness of implementation***

In addition to the above, the SPR will examine overall likelihood of impact of the GCF investments, and their contribution to promoting a paradigm shift, and the unintended consequences, positive and negative.

The Governing Instrument provides that periodic assessments of the Fund's performance will take into account the effectiveness and efficiency. This key area of the SPR will examine the efficiency, economy and cost-effectiveness of implementation, including cost of implementation (FAA effectiveness to disbursement reaching the ground); monetary costs; non-monetary costs (efforts/energy/displacement effects/other). Further, this will examine the results and impacts of implementation of GCF interventions, including a consideration of economic/financial benefits, social benefits (inclusiveness/social cohesion), equity, environmental benefits, and health. The SPR will also closely consider unintended consequences of GCF projects and programmes, taking into close consideration the dimensions of climate justice.

### **4. *Coherence and complementarity within the climate finance landscape; gender considerations***

The Governing Instrument provides that the Board will develop methods to enhance complementarity and that the Fund will promote coherence in programming at the national level. Related to this, the SPR will examine how responsive the GCF is to the COP decisions and guidance on the coherence and complementarity across the climate finance landscape. In particular, the SPR will include an assessment of the extent to which GCF investments enhance complementarity and coherence at the country level at the design stage. This will include considerations of country ownership, direct access, GCF support programmes and project origination. The SPR will assess the extent to which the GCF instruments and modalities are used strategically to address needs of the

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<sup>13</sup> Chinman, M., Imm, P., & Wandersman, A. (2004). Getting to Outcomes 2004: Promoting accountability through methods and tools for planning, implementation, and evaluation. (No. TRTR101). Santa Monica, CA: RAND.

<sup>14</sup> Meyers DC, Durlak JA, Wandersman A. (2012). The quality implementation framework: a synthesis of critical steps in the implementation process. *Am J Community Psychol.* 50(3-4):462-80. doi: 10.1007/s10464-012-9522-x. PMID: 22644083.

countries and beneficiaries, taking into account NDCs and country programmes, among other things.

In particular, this area will examine how the GCF business model allows for engagement with other development partners including bilateral agencies and other actors in the development aid ecosystem to satisfy the GCF objectives/mandate. Importantly, the SPR will examine the extent to which GCF has been effective in addressing the gender-related dimensions of climate interventions.

These above questions will be further defined and elaborated during the inception phase of the evaluation. The questions will be developed additionally on the basis of interviews and consultations. It will be important that the framing of the questions will be informed by a proportionate review of the literature and evaluability assessments.

The independent evaluation will use the evaluation criteria established by the GCF Board for the IEU.<sup>15</sup> These include:

- (a) Relevance, effectiveness, efficiency, impact and sustainability of projects and programmes
- (b) Coherence in climate finance delivery with other multilateral entities
- (c) Gender equity
- (d) Country ownership of projects and programmes
- (e) Innovativeness in result areas (extent to which interventions may lead to paradigm shift towards low-emission and climate resilient development pathways)
- (f) Replication and scalability – the extent to which the activities can be scaled up in other locations within the country or replicated in other countries
- (g) Unexpected results, both positive and negative

The evaluation will analyse these criteria customized to this particular evaluation.

## **V. Methods and approaches**

The evaluation team will adopt a utilization-focused approach and framework, with an objective to be useful to its intended users in terms of providing learning, informing decision-making and improving performance overall. IEU, the GCF Board, the Secretariat, other independent units, NDAs/FPs, CSOs/PSOs, AEs, DAEs, and other delivery partners are identified as key actual and potential users of this evaluation. In line with the overall utilization-focused framework, the selected team will work closely with relevant stakeholders to ensure the evaluation is appropriately participatory, consultative and engaging. Ensuring that key stakeholder representatives participate in a diversity of ways throughout this evaluation will ensure that the insights and recommendations generated are useful to all and foster appropriation, ownership and buy-in. The inception phase (below) will include the development of the overall theoretical approach and structure. The team may consider standard frameworks including theory-based, realist, feminist approaches or another approach that may suit the scale and questions of this evaluation.

A knock-off effect of the selected methods will be to advance the methodological frontier and develop capacities and leadership of the IEU through the SPR. This ambitious evaluation will draw upon standard evaluation methods as well as innovations to account for global uncertainty and

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<sup>15</sup> See Decision B.06/09.

changes as a result of COVID-19. The selected team will deploy several approaches, methods, and tools to focus the review on utilization and learning, to ensure participation at key steps in the process, and to deliver rigorous and credible findings. Overall, this evaluation will use a theory-based mixed methods approach and will include both qualitative and quantitative methods for data collection, dataset building, and data analysis. Key methods for data gathering may include programme, programme theory analyses, policy and project document analyses, review of the literature (including from comparator organizations and the peer-reviewed literature), synthesis of past evaluation reports (and case studies), portfolio, and sub-portfolio analyses using detailed and comprehensive data collected on projects by the IEU, online survey, semi-structured interviews, focus group discussions, and a series of country case studies through virtual or in-person field visits. In addition, the evaluation may use innovative methods especially in light of COVID-19.

An evaluation matrix will be developed during the inception phase, and will include detailed evaluation questions. Each evaluation question will be answered through a systematic and traceable use of all relevant information sources in a way that maximizes the triangulation of evidence and consequently the representativeness and credibility of the evidence and recommendations as well as an indication of where the evaluation did not have sufficient evidence or where the evaluation is not as confident about the evidence.

The SPR consists of four main parts, which also coincide with the four stages of the work plan. These are as follows:

Stage 1: Planning

Stage 2: Inception

Stage 3: Data collection and writing

Stage 4: Communications

### **1. Stage 1: Planning**

This stage is largely internal to the IEU. During this phase the IEU will undertake initial planning for the review, including background data, preparation of budget and schedule, support for Board's discussion and decision, and recruitment of external experts. This phase will run from December 2020-June 2021.

### **2. Stage 2: Inception**

During this phase, the IEU will work with the team identified through this request, and together develop the overall approach for the SPR. The IEU will onboard the external experts and constitute an SPR team. The team will simultaneously undertake the following: synthesis of evidence available so far in the GCF and IEU, planning/ inception and writing of the approach paper, extensive consultation with Board Members, AEs, CSOs/PSOs and others of the GCF ecosystem to inform the SPR. This phase will begin in September 2021 and will continue until March 2022.

During the inception of the SPR, the team will undertake three simultaneous exercises, two looking backward and the other forward. A synthesis will examine the past lessons already known through the IEU evaluations. At the same time, the team will develop a rapid assessment of progress made on the Updated Strategic Plan 2020-2023. A third component of the inception will be the development of the approach paper to cover the methods and other details for the SPR.

### a. Synthesis

The inception will include a stand-alone synthesis study that will synthesize and assimilate the following key documents, among others:

- (a) Previous IEU evaluation reports (refer table below for a list of IEU evaluation reports)
- (b) IEU evidence reviews
- (c) Review of the literature
- (d) Key GCF and Board documents

This qualitative synthesis may consider using a grounded theory or pattern matching approach. This part of the evaluation will include a synthesis review of existing reviews, evaluations, and analysis prepared by the IEU and other GCF Secretariat divisions or by consultants on their behalf. It will use a combination of critical review and qualitative meta-analyses methods. This approach is pragmatic and flexible, but also inductive and asks questions about what we know and what we don't.

**Critical review:** A critical review aims to demonstrate that the writer has extensively researched the literature and critically evaluated its quality. It goes beyond the description of identified documents and includes a degree of analysis and the development of innovative narratives. It is based on an ex-ante protocol that indicates criteria and also on inclusion and exclusion criteria that indicate what literature or sources of information are included and which not. A critical review provides an opportunity to 'take stock' and evaluate what is of value from the previous body of work based on a pre-developed (and piloted) protocol.

**Qualitative systematic review:** A qualitative systematic review is a method for integrating or comparing the findings from qualitative studies. The accumulated knowledge resulting from this process may lead to the development of a new theory, an overarching narrative, a broader generalization, or an interpretative translation. It looks for themes or constructs in or across individual qualitative studies.

**Meta-ethnographic review:** Meta-ethnography is a qualitative review of policies and evidence that aims to answer questions relevant to practitioners, in this case, the GCF Board. It uses a 'grounded theory process' of coding data. Grounded theory generates a theory 'from the ground' (in this case, from the documents) while not testing pre-conceived hypotheses. It provides a participatory framework for exploratory and synthetic research based on evidence and allows evaluators to be agnostic while findings emerge i.e. letting the data speak for themselves. Using grounded theory, documents are coded with a critical lens. As documents are coded, themes start to emerge among the codes, and can be regarded as themes of the synthesis. This step generates patterns from reviews and evaluations.

The approach for the synthesis will be developed in close consultation with the IEU early during the launch of the SPR. It will also be essential that this serves only as a knowledge base, and that the remainder of the SPR builds upon the findings of the synthesis. The synthesis will also serve to provide all members of the external team equal familiarity with the pre-existing evidence within the IEU, so that the SPR can further clarify this evidence, rather than repeat them. The synthesis will serve a learning purpose as well within the GCF, and provide early lessons emerging from the SPR.

**Table 1. IEU Evaluation Reports (others may be added in 2022, according to the Board approved workplan)**

EVALUATION	TYPE	SUBMISSION	NUMBER OF COUNTRY CASE STUDIES
SPR of the GCF	Performance assessment	2023	
Independent evaluation of the effectiveness of the GCF's investments in the LDCs	Portfolio	B.31 (expected)	6 expected
Independent Evaluation of the GCF's Approach to the Private Sector	Thematic	B.30 (expected)	6 expected
Rapid assessment of the Green Climate Fund's request for proposals modality	Policy	B.29	-
Learning-Oriented Real-Time Impact Assessment	Portfolio	2021	18 projects
<b>COMPLETED EVALUATIONS</b>			
Independent evaluation of the adaptation portfolio and approach of the Green Climate Fund	Thematic	B.28	6
Independent Evaluation of the Relevance and Effectiveness of the Green Climate Fund's Investments in the SIDS	Portfolio	B.27	6
Independent Assessment of the GCF's Simplified Approval Process Pilot Scheme	Programme	B.26	13 project deep dives
Independent synthesis of the GCF's Accreditation function	Policy	B.26	NA
Independent evaluation of the GCF's Environmental and Social Safeguards and the Environmental and Social Management System	Policy	B.24	7
Independent evaluation of the GCF's Country Ownership approach	Policy	B.24	5
Forward-looking Performance Review of the GCF	Performance assessment	B.23	12
Independent Evaluation of the GCF's Readiness and Preparatory Support Programme	Programme	B.21	9

EVALUATION	TYPE	SUBMISSION	NUMBER OF COUNTRY CASE STUDIES
Independent Evaluation of the GCF's Results Management Framework	Programme	B.21	3

### b. Rapid assessment of progress made on the Updated Strategic Plan 2020-2023

The inception phase will also include a rapid assessment of progress made against the Updated Strategic Plan 2020-2023. The USP was approved by the Board at B.27, and in decision B.27/06, the Board:

- a. Endorses the updated Strategic Plan for the Green Climate Fund: 2020-2023, which is a living document, as set out in annex VI as the updated GCF Strategic Plan to guide the Board in addressing policy gaps and programming the GCF resources of the first replenishment period between 2020 and 2023 and to invest the GCF resources in paradigm-shifting climate actions in a country-driven manner;
- m. Requests the Secretariat to report on progress on the updated Strategic Plan at the first Board meeting of each year from 2021

Following from these decisions of the Board, a key deliverable of the SPR will be an assessment of progress made on the Updated Strategic Plan. This assessment will complement the progress report presented by the Secretariat at the first Board meeting of each year and will go beyond. The assessment will be strategic in nature, and will provide an analysis of the following, among other things:

- (a) The overall theory of change underpinning the USP
- (b) The objectives laid out in the USP and whether these are necessary and sufficient
- (c) The performance of the GCF against the USP, taking into account the effectiveness and efficiency
- (d) The overall outcomes, results and impacts as a result of this performance
- (e) Lessons learned, opportunities and challenges

This analysis will take into account the emerging data from the portfolio. It will also be informed by the ongoing data collection (qualitative and quantitative). Further, it will be informed by a review of the literature, a policy review, and the simultaneous synthesis. This analysis may inform the inputs into the updating of the GCF Strategic Plan for the following strategic period.

### c. Approach paper

In parallel to the synthesis, the team will develop the approach for this expansive study. The development of the approach will include, at the very least, the following steps:

- 1) Consultations with members of the GCF Board, Secretariat, and stakeholders
- 2) Review of the literature
- 3) Inputs from the synthesis study and rapid assessment

The approach paper will also include, to the extent possible, a detailed review of the GCF policy architecture, or will be informed by the review of policies undertaken by the Secretariat in GCF-1.

The inception period will serve the purpose of ensuring that preparations and planning could be undertaken appropriately.

- The Team Leader of the selected team (along with key members) will conduct a virtual **inception mission** to meet with IEU team. These meetings will provide the Team Leader the opportunity to define clearly shared priorities for this evaluation, establish working relations, develop common systems, discuss division of labour, discuss sample sizes and selection for qualitative work, support the production of an evaluation info brief and generally launch the evaluation process. A series of other meetings will also be arranged with relevant stakeholders at the GCF Secretariat and others. Subsequent to this inception meeting, the selected team will start engaging with a broad range of key informants and stakeholders with the aim of acquiring a good understanding of stakeholder priorities for the review more specifically. This will, in turn, inform the refinement of the evaluation matrix and more refined planning for the next phases of the evaluation process. This process will also determine the key methods to be used including theory-based mixed approaches, a discussion around a hypothesized theory of change and comparators to be used for benchmarking. Finally, this step will help the team develop an understanding of the expectations and processes of the IEU, 'integrate' themselves into the IEU, and establish strong relationship for the remainder of the evaluation.
- A **document review** (complementing the synthesis) will also be undertaken early in the assignment to ensure that the selected team is familiar with the document landscape of the GCF as relevant for the review. This review will include Board decisions, reports and discussions, relevant audits and evaluations, funding proposals, concept notes, readiness proposals, CP documents, NDCs, NAPs, PPF documents, portfolio reports and templates among others. A document guide (i.e. a structured bibliography) will be created to continually update the bibliography in real-time. This preliminary document and portfolio review will serve an evaluability function, informing the selected team about the documents and data available for this review. It will enable the selected team to better understand the different programmes within GCF. It will also provide initial insights into the strengths and limitations of the existing data and documents. This preliminary document review will be key to inform the proposed sample for country missions as well as refining the evaluation matrix. The document review will be further developed and continued during the next phase. A review of the literature from other academic and non-academic papers that showcase the challenges, solutions, and innovations in climate finance is also expected during this time. This will contribute to an **annotated bibliography** of published literature in peer-reviewed journals over the past five years and **synthesis**. The IEU has found a review of the literature to be especially useful in developing a clear understanding of the normative principles that inform the evaluation.
- The evaluation will build a potential/normative **theory of change/action** for the GCF. This theory of change will be developed through various data sources (literature, interviews, process reviews) and will then be informed through data collected on field missions as well as in-depth interviews. Overall, this step will also be used to develop and clarify the **normative standards** from which this SPR will assess the performance of the GCF. Such standards will be developed by consultation with the literature and key informants and provide normative guidance against which the GCF will be evaluated.
- **The selected team will also work to develop, refine and draw upon the IEU DataLab.** The data from the DataLab will serve to inform the team's understanding of the overall GCF

portfolio, inform country sampling, and most importantly, support portfolio and sub-portfolio analyses in a substantial way. The IEU DataLab is a powerful tool and a cornerstone for high quality evidence for the current evaluation and for prospective IEU evaluations. This step will inform the evaluability assessment and the evaluation matrix.

- **An evaluation matrix** will form part of the backbone of this evaluation and will be finalised during inception. The evaluation matrix will include a series of sub-questions and indicators. Furthermore, the matrix will include various analytic approaches matched to evaluation questions, as well as data sources. The matrix will be further informed by inception meetings, and data collection, as well as through a preliminary document review. Finally, the matrix will be refined through a review process among the team members and validated with the IEU.
- During inception, the team will undertake the **preparation of data collection and management tools**, directly informed by the evaluation matrix. The tools will include document review protocols, field interview protocols, interview protocols, adaptable to different categories of stakeholders; meta-analysis and benchmarking tools, as well as an online survey and other guides as appropriate. These and other data collection tools will be piloted, tested and revised, for subsequent deployment. It will be important to develop tools such as tracking systems for status of interviews and reports from interviews.
- The evaluation will use a **purposive sample to identify countries for field missions** and to identify stakeholders to be interviewed individually and in group discussions. For the purposes of sampling, the evaluation will use a pre-defined set of criteria to select case study countries and types of stakeholders to be consulted. During this phase, representatives of the evaluation will undertake a pilot field mission to a country of focus for piloting the evaluation matrix and the data collection approach of the team. This will inform the approach of the team to the remaining field missions and the refinement of the proposed methodology and overall work plan.
- Finally, the selected team will draft an **approach paper**, which is an important tool for the selected team, and thus every effort will be made to ensure that it reflects the management requirements and methodological needs of the evaluation. The final revised approach paper will include a refined evaluation matrix, which will, in turn, be used for the development of data collection tools. The approach paper will also outline the plan for country visits as per the proposed sampling approach. Overall, the approach paper will provide a comprehensive roadmap for the evaluation as a whole. The approach paper will include a co-developed theoretical framework to undertake this evaluation.

Key outputs at the end of Stage 2 will include:

- 1) Inception mission
- 2) Pilot data collection tools including tools to apply to country missions and KII interview reports
- 3) Pilot country mission and a country mission questionnaire
- 4) Evaluation matrix informed by an evaluability assessment
- 5) Approach paper (draft and final) including methods and protocols and a possible theory of change, annotated bibliography, normative standards for the evaluation as well as key statistics from the IEU DataLab

- 6) Reports of the synthesis and assessment of progress made on USP may be delivered within the scope of Stages 2 or 3, on the basis of a decision made between the IEU and the external team

### 3. *Stage 3: Data collection and writing*

Data for the SPR will be collected including through (potentially virtual) country missions, review of the literature, consultations, GCF internal systems, IEU DataLab, surveys and other means determined during the inception phase. Collected data will be analysed and reports will be drafted for various communications. This extensive phase will operate from May 2021 to December 2022.

Immediately following the conclusion of the inception phase, the evaluation will move into the second phase of data collection. Data will be collected through a number of qualitative and quantitative methods and will be complemented by the IEU DataLab.

- The second part of document review will build upon the preliminary document review undertaken during the inception. It will expand the coverage of documents reviewed and will include the grey and scientific literature. This document review, drawing on a multiplicity of sources, will inform every component of the methodology for this review. These documents include GCF-specific programme documents, process-related documents.
- Additionally, relevant external documentation will be used to inform the meta-analysis and benchmarking exercise, including documentation about the approach of comparable organizations in this space. The GCF has a relatively unique mandate and scope. Therefore, a prescriptive list of comparator organizations is not available at this stage. Of note, related evaluations of multilateral funds can be considered. This analysis, coupled with data analysis below, can also relate to coherence and complementarity.
- During this phase, the selected team will schedule and **undertake a relatively large number of interviews** with key, selected stakeholders who are well-positioned to provide insights into the questions and sub-questions of this assignment. Additional interviews will be undertaken with some external key stakeholders with a good understanding of the GCF or the broader climate finance landscape. In some cases, these interviews will be planned *a priori*, while for others they will be opportunistic, or the result of snowballing, purposive, and data-driven sampling. Given the circumstance of COVID-19, innovative methods are expected in recruitment and undetracking of interviewees. Typically, each interview is attended by a two-member team including an IEU and an external team participant. The report from each interview will be managed according to the data management established during the inception phase.
- Building on the first pilot country case study, the team will undertake additional **field missions** in selected countries with the aim of collecting detailed information to address the range of questions in the evaluation matrix. It is expected that the evaluation will ensure and the triangulation of evidence from the engagement with a multiplicity of stakeholders in country with evidence gathered through other methods. The country case studies will serve as stand-alone reports and will be included as appendices to the final report. The case studies may be virtual or in-person depending on the context of COVID-19 and availability of national consultants. Around 12 country case studies are expected for this evaluation. The case studies will closely inform every deliverable. It will be important to ensure consistent and high quality case study reports, and the evaluation would pay close attention to this.

- The selected team will also prepare and deploy **online survey(s)** with the aim of gathering perceptual data from stakeholders. It may be expected that different survey instruments are administered for diverse stakeholder groups.
- Importantly, the evaluation team (the IEU and selected team) will undertake **data analysis** that will include the following but not limited to: Funding Proposals, accreditation, Annual Performance Report, Funding Activity Agreements, reports of the Investment Committee, independent Technical Advisory Panel and Secretariat, Accreditation Master Agreements, Concept Notes, CSO comments. Further, the evaluation will analyse data pertinent to GCF funding windows *viz.*, thematic (adaptation, mitigation, cross-cutting) and modalities (readiness and preparatory support programme, private sector facility, request for proposals) from the specific perspective of the evaluation questions. Data will also be disaggregated for direct access entities and international entities. This step will also include analysis of external databases that may become available during the course of the evaluation. Additional data streams may become available during the course of the evaluation and will be utilized by the team.
- The performance review will utilize data from LORTA. By the time of this review, the LORTA programme of the IEU is expected to yield several products: a synthesis report, baseline data on few projects, and likely one impact assessment. It can also provide an assessment of monitoring and evaluation data, including counterfactuals to the project sites, and an understanding of the quality of implementation. The SPR is expected to make extensive use of LORTA data, baseline and impact assessment reports, especially for assessments related to planned and achieved impact.<sup>16</sup>
- As stated earlier, the SPR will include a review and synthesis of information included in the **previous IEU evaluations**, and it will also be informed by concurrent IEU evaluations. Specifically, it is expected that some country mission reports from previous IEU evaluations will yield valuable data to inform this evaluation. Such analysis will provide valuable information to this evaluation, and are to be included.
- It is expected that the evaluation will continually provide updates on the progress in several ways to key stakeholders (e.g. conferences, GCF events, etc) to ensure that the evaluation is socialized within the GCF community and to ensure that the evaluation is operationally and substantially on track. Given the high visibility and expectations of the SPR, additional requests for presentations may develop during the course. While the IEU will be accountable and make presentations to the Board, the external team is expected to provide contributions to these presentations.
- The third stage of the evaluation comprises the synthesis of data analysis, report writing and the delivery of a presentation. The evaluation will undertake a **process of data analysis and synthesis** rooted in a triangulation of all data sources. Trends and outliers in the data will be identified, with respect to programme activities, regional disparities, and others.

Key outputs in Stage 3 will include:

- 1) Data analysis report

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<sup>16</sup> Learning Oriented Real time impact assessment: <https://ieu.greenclimate.fund/evaluation/lorta>

- 2) Presentation of the data analysis results
- 3) Country mission reports that are circulated to countries and finalized
- 4) Initial evidence tree (questions and data used to answer these)

#### 4. *Stage 4: Communication*

The communication of the SPR will take various formats including technical and intermediate reports (draft and final), presentation, discussions with Board members and others, IEU learning products etc. The reports will be produced to align with key events in the second replenishment and strategic planning for GCF-2. The final report will be delivered in 2023, with various outputs planned in 2022. The communication plan for the SPR takes into account the replenishment as well as strategic planning cycles. Please refer below for the sequence of final report with key events in GCF-2. During the final stage of the evaluation, the evaluation report and its associated products will be finalized.

- **Findings and recommendations** emerging from the evaluation will be drafted taking into account scenarios of recommendation up-take, and potential evolutionary paths for the Fund, guided by the normative standards. In doing so the evaluation will be situated within the wider institutional and programmatic landscape and planning of the GCF.
- After receiving comments on the factual report, the team will prepare the **final report** of the evaluation. This report will include recommendations and will be supported by an evidence tree. It is currently proposed that the report will include a summary for decision makers of no more than 40 pages. This will be supported by a more detailed technical report, including the annexes. It is expected that the evidence of the evaluation will be expansive. However, the evaluation may be expected to recognise that lengthy and dense reporting can reduce the readability and impact of a study. This approach recognizes the limits of policy documents and means of their effectiveness. The evaluation report may look to other models such as the IPCC for writing of concise and succinct reports based on evidence, which is provided in two volumes and annexes separately for the discerning reader.
- The communication and dissemination of the evaluation report will include webinar(s), presentation(s) to the GCF Board and other stakeholders, and evaluation briefs. Other products may include side-event during GCF Board meeting, and additional communication products. The team will be expected to remain available to support these processes and products. Given the nature of this performance review, presentations may be expected on several platforms and forums. The IEU will be accountable and responsible for such presentations, and support from the external team is expected.

Key outputs at the end of Stage 4 will include:

- 1) The factual report, that is also circulated to the Secretariat and other relevant stakeholders
- 2) Presentation of preliminary findings
- 3) Presentation of evidence tree/ map for structuring, exploring, summarizing findings, conclusions and (potential) recommendations to actions
- 4) Final report (in the form and format mutually agreed during the evaluation), including recommendations, finalized evidence tree, annexes of the report

- 5) Presentation of evaluation findings and recommendations to relevant stakeholders within the GCF
- 6) Support for communication products<sup>17</sup>, socialization of the evaluation

## **VI. Structure of the evaluation team and responsibilities**

The SPR team will include the external team hired through this RFP and the IEU team. Together, the evaluation team will be under the direction and overall leadership and responsibility of the Head of the IEU. The evaluation will be led and managed by IEU senior staff. It will include members of the IEU DataLab, the selected team to be contracted under the TOR, and will also be informed by teams undertaking other concurrent IEU evaluations. IEU will own the report but it is co-written with the external team.

The responsibilities of the selected team will involve finalizing the approach paper including the evaluation matrix, annotated review of documents, data needs, analytical tools (instruments, protocols), and the final report outline; being active part of evaluation workshops and meetings; collecting the new data required by the evaluation in the sampled countries as well as with key informants, directly as well via online tools and triangulate and validate the findings, and drafting the zero-draft and intermediate reports that will lead to the final report including the conclusions, recommendations, Executive Summary and all annexes, and the communication products to be detailed in the approach paper. The team will be particularly expected to add significant value in terms of the lessons learned and the formative and summative aspects of the evaluation, overall deriving from the evidence gathered during the evaluation. A large intellectual input is expected in addition to the operational one. Managerially, it is expected that members of the team will participate in virtual weekly meetings with the IEU, and these may increase in frequency close to finalization of the report.

The IEU will take ownership of the evaluation and will hold overall responsibility and accountability for the management and delivery of the evaluation up to and including approval of the final report. It will provide guidance to the selected team throughout the implementation of the evaluation up to and including design, data collection, analysis, and drafting. Therefore, the IEU will co-develop and co-write the evaluation questions, methods and reporting. The IEU will also facilitate an Evaluation Advisory Group, which will provide an external review and advisory function for this evaluation. This practice has been found to be exceptionally beneficial to recent IEU evaluations. The IEU will further facilitate access to GCF data. This will include portfolio level data from the GCF provided by the DataLab, facilitation of interviews with GCF Board Members, staff, and other internal stakeholders, facilitation of online survey, access to GCF and IEU documents, and networks with the external stakeholders. The IEU will also facilitate first introductions with NDA/ Focal Points, in order to launch the country missions. The IEU will also lead review of the evaluation draft report, including facilitating discussion and management responses.

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<sup>17</sup> All photographs, GIS coordinates and other data collected (both quantitative and qualitative) will be the property of the IEU and should be duly submitted to the IEU.

## VII. Team expertise

The team should have strong in-team expertise and experience in evaluations at the strategic, corporate, and programme level, strategic evaluations, statistical analysis, data extraction and data analysis. Essential requirements include:

- (a) strong in-team expertise and experience in climate change evaluations.
- (b) strong expertise and experience with corporate evaluations, large scale institutional performance assessments, especially of multilateral institutions.
- (c) in-depth experience with mixed methods, in addition to pure qualitative and quantitative methods, strategic evaluations, and counterfactual methods.
- (d) at a minimum extreme familiarity with tools referring to evaluation data collection methods, such as focus group discussions, semi-structured interviews, synthesis tools, apart from quantitative capabilities as well as an ability to engage with geospatial data.
- (e) Access to country-based consultants, in case of virtual missions to countries.
- (f) The team should be able to propose and undertake innovative methods for evaluation.

Desirable qualifications include:

- (g) Experience in areas including but not limited to indigenous peoples, private sector, and gender.
- (h) Team composition pays attention to considerations of gender diversity, ability to work in multiple languages, ability to travel, and responsiveness.

The team should be able to commit that they will be able to produce a highly credible, well-written evaluation report in the budget and time period requested. The evaluation report will be fully owned by and a product of the IEU.

In addition to the above, the following points are worth considering:

The proposed methods should take into account the complexity of this mandate. They should also account for circumstances such as Covid-19. This may include provision for national consultants in case in-person country missions are rendered impossible.

Specialists may be needed for some of the following areas: institutional governance, institutional accounting/budgeting and finance, project costing/ finance, implementation quality, and practical expertise managing climate projects for results. It will be the responsibility of the team to ensure that the inputs provided by experts go beyond currently existing knowledge and evaluative findings in previous IEU evaluations. In other words, it will be important to develop familiarity with previous IEU evaluations and build upon them. The synthesis may provide such an opportunity.

Given the size and duration of this evaluation, a special attention needs to be paid to data management. It is also important to ensure quality in data collection, and provide strict quality assurance for poor qualitative data, particularly interviews.

The size of the proposed team is flexible, however, it is recommended that the team is large enough to cover areas of expertise, but small enough to work closely together for the duration of the review. The assessment of the team will be based on the criteria below.

**Table 2. Criteria for assessment**

	CRITERIA	SUB-SCORE	SCORE
<b>1</b>	<b>Expertise of Firm /Organization Capability</b>		40
1.1	Expertise and experience of the company/firm in undertaking evaluations using mixed methods, particularly with the use of quantitative and qualitative methods, use of survey. It should be noted that evidence of training with the use of qualitative data and methods will be an advantage.	10	
1.2	Experience and expertise of the company/firm in evaluations in the context of climate change, climate finance and in the context of the developing countries and globally.	10	
1.3	Experience and expertise of the company/firm with corporate evaluations in a multilateral setting. Experience with large scale and multi-year evaluations at the corporate level (in particular strong experience with organizational performance reviews) will be an advantage.	15	
1.4	Organization's commitment to sustainability - demonstrates its commitment to embed sustainability into its own operations (as defined by social, environmental, and economic considerations).	5	
<b>2</b>	<b>Technical Approach/Methodology and Workplan</b>		30
2.1	The scope, magnitude, urgency and challenges of the overall task are fully and well understood, are properly addressed and correspond closely to the present TOR. This is demonstrated through an overall sound theoretical approach, a technically sound proposal to undertake the assignment, and the development of an indicative evaluation matrix. [This will be revised during the inception.]  The proposal includes some innovations beyond the traditional evaluative methods.	15	
2.2	The tools and work plan are well defined and are relevant and correspond to the assignment of this TOR, and the challenges of climate finance and, including the essential need to perform the task and deliver within the time frames. The proposed methods are flexible and innovative to account for COVID-19 related uncertainties.	10	
2.3	Demonstrate how you plan to integrate sustainability measures in the execution of the contract to provide goods or services.	5	
<b>3</b>	<b>Team and Personnel Capacity</b>		30
3.1	Strong, proven team leader's capacity to directly, energetically, and creatively lead and organize the process under time constraints and manage complex teams and evaluations, with emphasis on complex	15	

	CRITERIA	SUB-SCORE	SCORE
	corporate, portfolio and performance evaluations. This includes the extensive evaluation experience and capacity, and time availability.		
3.2	The skills, academic qualifications and experience of the team reflect the gravity and scope of the review. Members of the team have experience in areas required, and cover all areas needed for this review. General areas include climate change, evaluations, institutional/project financial analysis, corporate evaluations. The team has access to specific experts needed for this evaluation.  Experience and training with qualitative/ quantitative data, theory of change, field experience, and communications is desired.	10	
3.3	The proposed team is appropriately structured. This can be assessed by the proposed level of effort of members of the team, and structure of the team, as reflected in gender balance, ability to work across languages, and utilize and tap into networks in various parts of the world (e.g. access to local consultants based in developing countries). The IEU recognises that certain expertise required may be identified during the course of the evaluation.	5	
	<b>TOTAL</b>		<b>100</b>

### VIII. Timeline and deliverables

A number of key outputs are expected from the SPR. These outputs will be produced and shared with the Board, so that the SPR is able to inform the second replenishment as well as the review of the strategic plan. The timeline will develop in response to Board and replenishment and some flexibility needs to be accounted for.

Outputs from this performance review will feed into various steps of the replenishment, which will be identified subsequently. Therefore, some deliverables (presentations or written inputs) may be expected. The specific nature and schedule of these deliverables will be identified in response to the development of the GCF schedules. More generally, given the duration of this review, the team should be flexible with anticipated requests, such as potential in-person meetings and workshops. The time and duration of such meetings will be determined in close consultation with the team.

With the above understanding, two kinds of outputs are expected from the SPR. The first relate to methodological and procedural reports, without significant substantive review. The second kind of outputs will include substantive reports, that altogether constitute the SPR.

#### Methodological/ procedural reports

Approach paper. The approach paper will outline the key questions to be addressed by the review, as well as the key methodological approach for the review. It will provide the overall intellectual and operational direction of the SPR, including details of the key outputs expected. It will be delivered to the Board in the last quarter of 2021, and to the IEU two months prior.

Periodic updates to the Board. These will be provided largely by the IEU and the Head of the IEU, with some inputs from the external team.

## Substantive products

Synthesis and Strategy report. The performance review will produce a synthesis of available evidence, including through IEU evaluation reports, GCF reports, and other grey and peer-reviewed literature. This will be produced in the first quarter of 2022, and will be designed to provide early inputs from the SPR. This external team is expected to finalize this by January 1, 2022 to delivery to the Board in February 2022.

Rapid assessment against the Updated Strategic Plan 2020-2023. As directed by the Updated Strategic Plan 2020-2023, this report will provide an early and rapid review of how effectively GCF programming and operations have evolved from the IRM period to deliver the vision, objectives and priorities in the Strategic Plan for 2020-2023 and of the progress of the achievements planned under the Updated Strategic Plan 2020-2023. This is expected alongside the above synthesis and strategy report.

Emerging findings. The performance review will share emerging findings with the GCF Board and Secretariat at the end of the third quarter 2022 (in September 2022). Therefore, the IEU will expect these in August 2022, for submission in September 2022.

Factual report for sharing with the GCF Secretariat. The factual report of the performance review will be shared with the Secretariat six weeks prior to final submission for review and consultation, and in the final quarter of 2022. This will allow for a factual review by the Secretariat, and for the IEU to address comments. Therefore, this factual draft will be expected by October 1, 2022, for further external sharing by the IEU.

Final report. The final report will be produced for the Board's consideration in time for the first Board meeting of 2023. Therefore, the IEU would expect the final report to be submitted by December 31, 2022.

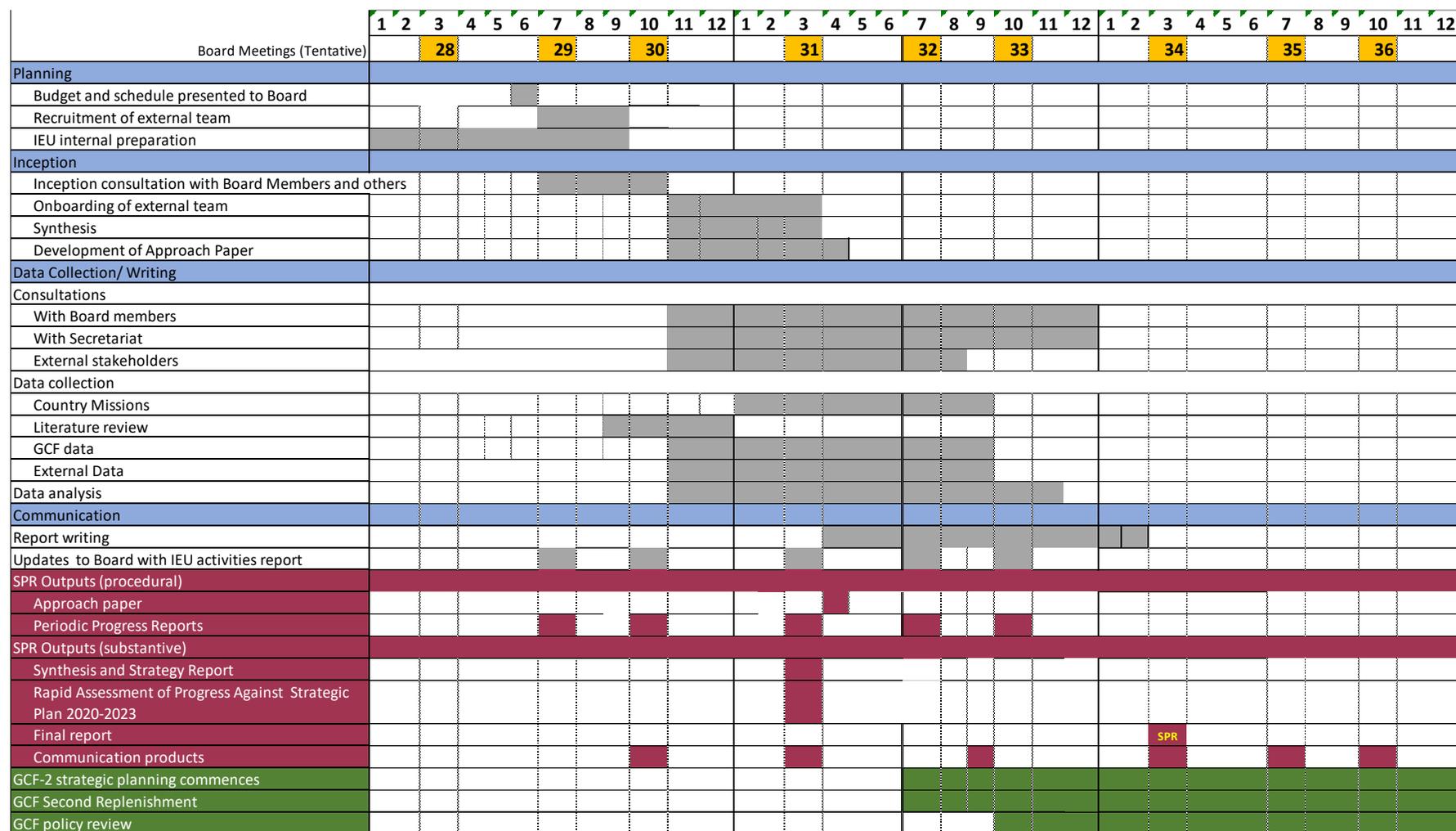
Communication products. The external team will be expected to contribute to communication products for the SPR. The IEU will organize several presentations, consultations, and webinars to disseminate the approach of the review, as well as the emerging findings and recommendations at several stages. The following are the deadlines for external publication and the team will be expected to work with the IEU in advance, to develop a mutually agreed-upon schedule:

- December 2021: Approach paper of the second performance review
- March 2022: Rapid Assessment Report of Progress made on Strategic Plan 2020-2023
- March 2022: Evaluation Synthesis and Strategy Report
- June 2022: Reports of Country Missions
- September 2022: Emerging Findings
- February 2023: Final Report, including webinars and submission to Board, prior to pledging conference

**Table 3. Currently expected deliverables and payment schedule**

PHASE	MILESTONE DELIVERABLES	EXPECTED DATE	PAYMENT (% OF CONTRACTUAL PRICE)
Inception	Signing of contract	September 30, 2021	15%
	Approach paper	December 1, 2021	10%
Data collection and writing	Reports of synthesis and rapid assessment of progress made on USP	January 1, 2022	15%
	Landscape and benchmark study – finalized and reviewed by the IEU and external team	May 30, 2022	10%
	Country mission reports – finalized and reviewed by country stakeholders	June 30, 2022	10%
Communication	Factual report submitted to IEU	October 1, 2022	15%
	Final report submitted to IEU	December 31, 2022	20%
	Translations, editing, socializing, reviewing and drafting learning products; engagement in the Board meeting as appropriate	December 31, 2023	5%

Figure 1. Schedule of the second performance review of the GCF



Note: The timelines indicated in the Gantt chart relate to submission of reports to the Board by the IEU. The internal timelines and timeline of deliverables expected from external team may differ.