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Annex XVII: Terms of Reference for the Independent Evaluation of the Readiness and Preparatory Support Programme

I. Aim

- (a) In July 2017, the GCF Board in decision B.17/07 requested the Independent Evaluation Unit of the GCF to undertake the independent evaluation of its Readiness and Preparatory Support Programme (RPSP).
- (b) This document lays out the terms of reference for the independent evaluation of the RPSP. This includes a brief background (Section II), evaluation objectives and criteria (Section III), and methods and timeline (Section IV) for the independent evaluation.

II. Background

- (a) The Governing Instrument of the GCF states:
 - 40. The Fund will provide resources for readiness and preparatory activities and technical assistance, such as the preparation or strengthening of low-emission development strategies or plans, NAMAs, NAPs, NAPAs and for in-country institutional strengthening, including the strengthening of capacities for country coordination and to meet fiduciary principles and standards and environmental and social safeguards, in order to enable countries to directly access the Fund.*
- (b) The objectives of the Readiness and Preparatory Support Programme are specified as:¹
 - (i) *Supporting the NDA or focal point in accordance with decision B.08/10, to engage with regional, national and sub-national government, civil society and private sector stakeholders with regard to the priorities of the Fund, taking a gender sensitive approach;*
 - (ii) *Developing strategic frameworks for national engagement with the Fund (including country programmes, in accordance with decision B.08/10 and decision B.07/03 (initial proposal approval process), building on existing strategies and plans, including low-emission development strategies, Nationally Appropriate Mitigation Actions, National Adaptation Plans, and National Adaptation Programmes of Action. Annex XVII provides initial general guidelines for the preparation of country programmes;*
 - (iii) *Enabling regional, national and sub-national institutions to meet the accreditation standards of the Fund, including for the fast-track accreditation process in coordination with the NDA or focal point; and*
 - (iv) *Supporting the development of initial pipelines of programme and project proposals, including the identification of appropriate financial instruments, that are aligned with the objectives and initial investment framework of the Fund and that will support a paradigm shift to low-emission and climate-resilient development;*
- (c) The GCF Board has emphatically reaffirmed that

¹ Decision B.08/11

...Fund-related readiness and preparatory support is a strategic priority for the Fund to enhance country ownership and access during the early stages of its operationalization, and may help countries to meet the Fund's objectives;

- (d) A Readiness and Preparatory Support Programme is being administered by the GCF to provide resources for strengthening the institutional capacities of NDAs or focal points and direct access entities to efficiently engage with the Fund. Resources may be provided in the form of grants or technical assistance. All developing countries can access the RPSP and the Fund aims for a floor of 50 per cent of readiness support allocation to particularly vulnerable countries, including least developed countries (LDCs), small island developing states (SIDS) and African States.²
- (e) The RPSP provides (i) Up to US\$ 1 million per country per year. Of this amount, NDAs or focal points may request up to US\$ 300,000 per year to help establish or strengthen a NDA or focal point to deliver on the Fund's requirements. (ii) Up to US\$ 3 million per country for formulating adaptation plans. Within these funding caps, countries may submit multiple proposals over multiple years. Multiple proposals (including for adaptation planning) may be implemented within country by delivery partners, who may or may not be direct access or international accredited entities (see Annex III for an overview of the Readiness and Preparatory Support process). Guidance to countries requires that proposals requesting readiness support must be aligned with the Fund's Environmental and Social Safeguards and its Gender Policy. All readiness funding requests need to be initiated by developing country focal points or NDAs although funding itself may be managed by the delivery partner.
- (f) The Readiness and Preparatory Support Programme has undergone several changes since it was first approved by the GCF Board. Modalities for Readiness and Preparatory support were adopted by the GCF Board at its 5th meeting. Indeed, the RPSP is a very important programme. Understanding the effectiveness, and efficiency of the programme is a strategic need for the Board as it decides upon new allocations in 2018. This evaluation will also contribute to informing the GCF's replenishment when the current replenishment period ends. Annex II presents a listing of different and relevant Board decisions relevant to the Readiness and Preparatory Support Program.
- (g) A few of these decisions are especially significant: at the 8th meeting of the Board, an indicative list of activities eligible for direct support for National Designated Authorities (NDA) was approved. This indicative list has witnessed revisions and amendments subsequently at the 13th meeting of the Board (see Annex III for a list of indicative activities). At its 10th meeting, the GCF Board affirmed that the Readiness and Preparatory Support Programme is a mechanism to enhance country ownership.
- (h) The Conference of Parties (COP) has also noted the importance of the Readiness and Preparatory support programme and has requested the GCF secretariat to provide updates on several topics:
- Takes note of the progress achieved to date in the implementation of the readiness and preparatory support programme of the Green Climate Fund and stresses the importance of improving the approval process and timely disbursement of readiness resources to facilitate readiness programme implementation pursuant to Green Climate Fund Board decision B.11/04" (UNFCCC decision 7/CP.21, paragraph 17, Linked with UNFCCC decision 7/CP.20, paragraph 12)*
- (i) As of the 23rd of June 2017, a total of US\$ 80 million had been approved by the Board for the program and of this, US\$ 34.3 million had been committed with 87% of this

² The Readiness Guidelines, June 2017, Version 3.

committed for grants or technical assistance and the remaining spent on events such as structured dialogues, regional workshops and other readiness events, NDA visits and in-kind support to countries and direct access entities. US\$ 6.03 million has so far been disbursed in this program with the highest amount being approved for NDA strengthening and building country programmes.

- (j) As of May 2017, the GCF had engaged with 105 countries on 165 readiness requests. Of these nearly 60% (98) were for NDA strengthening and for advice on building country programmes and most requests are submitted from Africa, followed by the Asia Pacific. Of the approved readiness requests, 55% had entered the implementation stage.
- (k) The Readiness and Preparatory Support programme is expected to have five overall activity areas.³ These include (i) Strengthening country capacity; (ii) Engaging stakeholders in consultative processes; (iii) Realizing direct access; (iv) Providing access to finance; (v) Mobilizing the private sector.

III. Evaluation objectives and criteria

- (a) The Readiness and Preparatory Support Programme has been in implementation for approximately two years. Its portfolio is young and a considerable amount of this initial effort has been spent in formulating processes and procedures for the programme while also learning from experiences on the ground.
- (b) Recognizing this, the Independent Evaluation of the Readiness and Preparatory Support programme will be a learning-oriented assessment.

The objectives of the Independent Evaluation are to:

- (i) Assess the effectiveness of the Readiness and Preparatory Support Programme and assess the extent to which RPSP processes are fulfilling the intended objectives of the RPSP as contained in decision B.08/11 paragraph (i) as well as the objectives of country ownership⁴;
- (ii) Review approaches in the implementation of the Readiness and Preparatory Support programme with a view to making recommendations for improved alignment with the objectives of the RPSP; and recommend gains in effectiveness, efficiency, country ownership and sustained impact.
- (c) Since the RPSP has been changing rapidly, its different phases will be assessed during this evaluation. These phases are (i) the design and planning stage; (ii) the implementation phase; and (iii) the expected results from the programme.
- (d) The Independent Evaluation of the Readiness and Support Programme will use the evaluation criteria established by the GCF Board for the IEU.⁵ These include (relevance of) mandate; effectiveness of programme and processes; efficiency of processes; sustained impact, coherence in climate finance delivery; gender equity and inclusiveness; innovation and potential for paradigm shift; country ownership, potential for building scale and unexpected results (positive and negative).

³ The Readiness Guidebook articulates these and indicates that 'These are based on GCF Board decisions B.08/10/Annexes XII, XIII, XIV; B.08/10, Annex I; B.12/30/Annex I.'

⁴ As contained in decision B.10/10 paragraph (c) and (f) and the Guidelines for Enhanced Country Ownership and Country Drivenness decision B.17/21, annex XX

⁵ See Decision B.06/09

- (e) The evaluation will analyse these criteria customized to the RPSP. During the inception phase, questions will be parsed and sharpened. These questions will be finalized during the inception phase of this evaluation (see Section IV).
- (f) The Independent Evaluation of the RPSP will review trends with respect to constitution of the Readiness portfolio, changes in mandate, process, portfolio type, disbursement rates, processing times and implementation structures and procedures as well as impacts on final beneficiaries, country work programmes and GCF pipeline development.

IV. Methods and timeline

- (a) The Head of the Independent Evaluation Unit will be supported by an external team and a staff member to deliver this evaluation. An external team will be brought on through a procurement process following secretariat rules.
- (b) The timeline of the evaluation is divided into three phases:
 - (i) **Inception period (April 2018):** This will begin as soon as the team has been put in place. The team will parse the important questions that will be answered in the evaluation. The inception report will present the results from the initial consultations and retrospective theory of change exercise, fine-tune questions of the overall evaluation and contain protocols for the online perception survey and subsequent field visits, the protocols for process tracing and the protocols for focus groups and stakeholder conversations, organized by respondent type. The inception report will revisit the findings of the initial review, including an independent analysis by Dalberg Global Development Advisors, and also identify key stakeholders to be interviewed and will lay out the plan for country visits, and in-depth case studies for process tracing, while ensuring representativeness of the sample. It will include an explicit discussion of how case study countries were selected, which will strive to be representative of the portfolio while being cognizant of time and budget. Data from the proposals received by the secretariat will also be input into a database. A scoring scheme will also be devised and an evaluation matrix that maps questions asked of the evaluation to tools and methods of verification will be put together. Last but not least, the inception period will finalize the protocol for the portfolio analysis.
 - (ii) **Main evaluation phase (May-June 2018):** The second phase will be the main phase of the evaluation. The following activities will be undertaken: Expert interviews, Secretariat interviews, NDA interviews, delivery partner and FP interviews, interviews with Board members and alternate Board members, and with civil society organization (CSO) groups, focus group discussions as required, an online perception survey, process tracing and field visits (8-10) for identified cases and an analysis of the documentation and the readiness portfolio. Methods will be triangulated to ensure that inferences are robust. Documentation and evaluations of similar other programmes will also be reviewed for the meta-analysis and benchmarking element of this evaluation.
 - (iii) **Evaluation report (July 2018):** During the last phase of the evaluation period, a draft of the evaluation will be prepared. This will also contain a technical annex to discuss methods used for the evaluation. It will also provide recommendations for strengthening the RPSP going forward based on the findings of the evaluation. A draft will be circulated to the Executive Director and

key members of the CPD team including regional advisers. The final report of the evaluation with the technical annex will be presented to the Board.

- (c) The methods and tools for this evaluation will include:
- **A retrospective theory of change analysis** will help map the extent to which planned and actual activities are contributing to the overall vision of the Programme. It will also examine key changes during implementation and possible learning by the RPSP team. This will take place during the inception phase of the evaluation timeline.
 - **Review of key documents** including a mapping of all guidance to key criteria for the evaluation. The evaluation will review decisions from the GCF Board that are related to the RPSP including those that have implications for the RPSP (but may not be directly related to RPSP), guidelines, administrative processes, management structures and the results framework for the programme including policy documents, guidance documents, proposals, progress reports, board documents and any in-house or other assessments that may have been undertaken. The team will also review any strategy documents and the findings of the initial review of the RPSP.
 - **Key informant interviews:** Key stakeholders including experts, selected stakeholders at the GCF Board, representatives of other agencies that are doing similar work, selected country stakeholders including but not restricted to NDAs, delivery partners and focal points, members of the Readiness Working Group, members of the RPSP team and others inside and outside GCF. The readiness coordination mechanism will also be assessed. Inputs from other agencies will also be sought while considering that other agencies are also likely to have their own interests in mind while providing inputs.
 - **Focus group discussions** at key events such as scheduled structured dialogues or specific events held for accredited or to be accredited entities.
 - **Online perception survey:** The online perception survey will be directed at NDAs, focal points, delivery partners, CSOs and other stakeholders. It will seek to get an overview of the perception of the Readiness and Preparatory Support programme and will be confidential. A qualitative analysis will be undertaken of the comments in the responses and special or outlier comments will be followed up on, with follow up conversations for clarifications and explanation.
 - **Site visits and specific case studies for process tracing.** Specific countries will be identified for site visits and for process tracing specific questions that the evaluation team may want to address. Countries/cases will be chosen to ensure that there is adequate representativeness especially for stage of engagement with RPSP as well as country groups (SIDS, LDCs, Africa, others) and that each case has specific questions it will address. Site visits will also involve engagements with delivery partners (international and national) and potential delivery partners to document experiences related to effectiveness, relevance, coherence and country ownership. Since there are multiple delivery partners, this will also include a comparison of processes by different delivery partners. Since there are several challenges to making this comparison and drawing inferences, such as not having sufficient sample sizes to make robust conclusions, this comparison will be restricted to the main delivery partners. The method for selecting country case studies and delivery partners will be laid out in the inception report.
 - **Benchmarking and meta-analysis of international experiences.** Several organizations have similar programmes as the Readiness and Preparatory Support Programme. These include GEF, UNDP, UNEP, GIZ, the Multilateral Fund (for the implementation of the Montreal Protocol) and others. This part of the evaluation will

collect and analyse evaluations of these programmes and engage with staff and leads of these programmes to understand key challenges and strengths.

- (d) The evaluation report will present the background, methods, timeline and present key inferences. Inferences will be made using mixed methods and will triangulate using the approaches laid above. The evaluation report will also list all documents consulted, sources of information requested and those made available, list all the people consulted and the protocols used.
- (e) The overall timeline for the evaluation is shown in Table 2.

Table 2: Timeline for the Independent Evaluation of the Readiness and Preparatory Support Programme

Main Deliverables and Processes	Mar. '18	Apr. '18	May '18	Jun. '18	Jul. '18
Selection/contracting evaluation team	X				
Scoping field visit(s)		X			
Retrospective theory of change analysis		X			
Inception Report		X			
Presentation of progress report		X			
Stakeholder consultations/ Focus Groups/ Interviews		X	X		
Documentation review & portfolio analysis		X	X		
Perception online survey		X	X		
Meta-analysis		X	X		
Case studies/process tracing & site visits		X	X		
Quality at entry review		X			
Data analysis		X	X		
Presentation of key facts from Evaluation				X	
First draft report			X	X	
Final independent evaluation report					X

Annex XVIII: List of Indicative Activities eligible for Readiness and Preparatory Support

Source: Readiness and Preparatory Support Guidebook, Version 3.0, 15 June 2017

Indicative list of activities that can be supported by the Readiness and Preparatory Support Programme

Please note that these are indicative examples of activities for consideration. Countries are encouraged to formulate their activities based on their specific needs and as consistent with the objective of the GCF Readiness Programme. This list will be expanded and refined over time, based on learning and experience captured.

Establishing and strengthening national designated authorities or focal points

- Enabling national designated authority (NDA) coordination mechanisms with accredited entities to identify and prioritize national priorities for country programming;
- Strengthening institutional capacities so that the NDA or focal point can effectively fulfill its role;
- Developing national arrangements for promotion, consideration and facilitation of funding proposals;
- Funding for training of NDA or focal point staff members in areas relevant to the objectives of the GCF such as project and programme development, international procurement, accounting, oversight, planning and monitoring and evaluation processes;
- Supporting the ongoing engagement of stakeholders at national and subnational levels, including government, civil society and private sector actors;
- Engaging in and holding dialogues with existing and prospective accredited entities;
- Extracting lessons learned from other countries (including through exchange visits, workshops, etc.);
- Supporting the appropriate oversight of GCF activities at the national level; and
- Developing and disseminating informational and awareness-raising materials.

Strategic frameworks, including the preparation of country programmes

- Developing a country programme that identifies strategic priorities for engagement with the GCF, disseminating information and engaging stakeholders in the country programme;
- Identifying strategic investment priorities and taking stock of existing strategies, policies, and needs assessments, including intended nationally determined contributions, low-emission development strategies, nationally appropriate mitigation actions, national adaptation plans, and national adaptation programmes of action;
- Identifying programmes and projects that advance national priorities and align with the results management framework of the GCF, including support for ensuring an appropriate enabling environment for projects or programmes;
- Developing tools, methods and templates to scale up successful models through programmatic approaches and across geographies;
- In the context of country programmes, formulating concept notes, drawing on intended nationally determined contributions and other climate strategies and plans;
- Activities that would crowd in private and capital market financing for the implementation of country programmes; including providing institutional support to enhance the efficiency of the procurement and tendering processes; and
- Enabling private sector participation, including by supporting the preparation of preliminary studies, tender documents or advisory services for the establishment of public-private partnerships.

Support for accreditation and accredited direct access entities

- Raising awareness of the GCF accreditation process, fiduciary standards and environmental and social safeguards (ESS);
- Understanding the roles of existing institutions and identifying potential accredited entities;
- Conducting an institutional gap analysis of potential applicants against the fiduciary standards and ESS;
- Developing and implementing a personalized readiness and preparatory support plan that will support applicant institutions to address identified gaps to comply with the fiduciary standards and ESS (may include the development of new policies and procedures);
- Enabling lesson-learning from other institutions that have been through similar accreditation processes; and
- Building the capacity of accredited direct access entities in relation to the GCF activities, in areas such as ESS, the GCF gender policy and action plan, and monitoring and evaluation.

Formulation of national adaptation plans and/or other adaptation planning processes

- Countries are encouraged to indicate specific activities of direct relevance to adaptation planning, based on national context.

Annex XIX: An overview of the process for Readiness Support

Source: Adapted from Page 5 of *Readiness and Preparatory Support Guidebook, Version 3.0, 15 June 2017*

