

The GEF Monitoring and Evaluation Policy

**Global Environment Facility
Evaluation Office**

The GEF Monitoring and Evaluation Policy

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Global Environment Facility

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Contents

Preface.....	v
1. Monitoring and Evaluation in the GEF	1
1.1 Background	1
1.2 Evaluation in the GEF	3
1.3 Monitoring in the GEF	5
Notes	6
2. Roles and Responsibilities	7
2.1 M&E Partners in the GEF.....	7
2.2 GEF Council.....	8
2.3 GEF Evaluation Office	9
2.4 GEF Secretariat	11
2.5 Implementing and Executing Agencies.....	12
2.6 Scientific and Technical Advisory Panel	13
2.7 Participating Countries	13
2.8 Stakeholders.....	14
Notes	15
3. Evaluation Criteria and Minimum Requirements	17
3.1 International Criteria and Minimum Requirements.....	17
3.2 Monitoring and Evaluation Criteria.....	18
3.3 Minimum Requirements and Key Principles.....	19
Note.....	24
4. The GEF Evaluation Office.....	25
4.1 Mission Statement and Core Principles.....	25
4.2 Key Functions	25
4.3 Tasks and Activities	27
Notes	28
5. Use of Evaluations.....	29
5.1 Follow-up	29
5.2 Knowledge Sharing	29

Preface

The Global Environment Facility (GEF) addresses global environmental issues while supporting national sustainable development initiatives. It does so through a partnership involving 176 member countries, three Implementing and seven Executing Agencies, recipient countries, nongovernmental organizations, and the private sector. In such a large partnership, a special challenge is posed in adequately monitoring and evaluating the achievements of the GEF, taking into account the activities of all partners in a consistent and coherent manner. This policy aims to address that challenge. It was approved by the GEF Council through a written procedure on February 6, 2006.

The policy has been developed through an extensive process of consultation with GEF partners, following GEF Council decisions in November 2004. As a first step, a brainstorming workshop in January 2005 united evaluation experts, monitoring practitioners, and managers from the Implementing Agencies, Executing Agencies, GEF Secretariat, and GEF Evaluation Office. Various follow-up meetings were held. Bilateral meetings took place with the central evaluation units of the Implementing and Executing Agencies. Discussions took place with the Secretariat on monitoring. Other GEF stakeholders that helped contribute to the policy include the GEF Scientific and Technical Advisory Panel, the convention secretariats, country partners, nongovernmental organizations, and the research community. The draft policy was reviewed by a selection of GEF partners at a workshop in September 2005. It was then discussed in the GEF at the November 2005 Council session.

The policy contains minimum requirements for monitoring and evaluation (M&E) for GEF-funded activities covering project design, application of M&E at the project level, and project evaluation. The requirements call for concrete and fully budgeted project M&E plans with indicators, baselines, and responsibilities. Furthermore, these plans need to be implemented according to plan and the terminal evaluations at project end need to meet minimum quality standards as well. The policy underwrites the independence of the Evaluation Office and its direct link to the GEF Council. It also establishes the responsibility of the GEF Secretariat and the Implementing and Executing Agencies for monitoring at the portfolio and project levels.

The next challenge is to operationalize the policy. The Evaluation Office will develop additional guidelines and training tools on specific subjects such as ratings; use of indicators, baselines, and M&E plans; and terminal evaluations. These will be available on a resource page of the Office's website. Our partners have also pointed to a number of challenges that require continued attention in aggregation, attribution, and portfolio monitoring of results; establishing indicators and baselines in particular for global environmental impact; and the effective promotion of knowledge sharing and learning.

I would like to thank everyone who contributed to the process of drafting the policy, notably Ms. Siv Tokle, Senior Evaluation Officer, who was the task manager of the consultative process, but also all participants in the meetings we had and all those who contributed through email, in writing, and by telephone and other means of communication. This policy also establishes the consultative process that we used to develop the policy as permanent, and we will use it to operationalize the policy and further update it if changes in international norms and standards would warrant that.

Rob D. van den Berg

A handwritten signature in black ink, appearing to read 'Rob D. van den Berg', with a stylized flourish at the end.

Director, Evaluation Office

1. Monitoring and Evaluation in the GEF

1. Monitoring and evaluation in the Global Environment Facility (GEF) have the following overarching objectives:
 - a. Promote accountability for the achievement of GEF objectives through the assessment of results, effectiveness, processes, and performance of the partners involved in GEF activities. GEF results will be monitored and evaluated for their contribution to global environmental benefits.
 - b. Promote learning, feedback, and knowledge sharing on results and lessons learned among the GEF and its partners, as a basis for decision-making on policies, strategies, program management, and projects, and to improve knowledge and performance.

1.1 Background

2. The Global Environment Facility is a financial mechanism for international cooperation, based on partnerships, that provides new and additional grant and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits in six focal areas: biological diversity, climate change, international waters, land degradation (primarily desertification and deforestation), ozone layer depletion, and persistent organic pollutants in developing countries and countries with economies in transition. The GEF Council provides strategic and policy direction in these six focal areas, taking into account guidance from the Conferences of the Parties of the global environmental conventions for which the GEF serves as the financial mechanism.¹ The GEF Instrument requires the GEF, among other things, to ensure that its programs and projects are monitored and evaluated on a regular basis, and to maintain sufficient flexibility to respond to changing circumstances and experience gained from monitoring and evaluation (M&E) activities. This requires feedback to the GEF decision-making processes at the policy, program, and project levels.
3. Monitoring and evaluation play an important role in the GEF. The GEF's mission in the global environment requires it to be innovative or experimental and puts the partnership in a position to assess global dimensions of environmental and development policies. The GEF is also pioneering institutional relationships

Monitoring and evaluation play an important role in the GEF.

**Monitoring
and evaluation
are a shared
responsibility
within the GEF
partnership.**

among international finance institutions, United Nations (UN) agencies in partnership with the participant countries, international conventions, nongovernmental organizations (NGOs), and other organizations. Monitoring and evaluation are a shared responsibility within the GEF partnership. Therefore, the policy on monitoring and evaluation makes full use of the combined capacities of the expansive GEF partnership and the respective comparative advantages of each GEF partner. The multiplicity of stakeholders also places a premium on learning and improvement, by continuously sharing knowledge from M&E, both within and among the GEF partners and with external stakeholders. The active engagement of all key stakeholders will enhance capacity for M&E as well as its utility.

4. Monitoring and evaluation feedback allows the GEF to track progress in fulfilling its mission of delivering global environmental benefits in its six focal areas. GEF projects are more likely to capitalize on their innovative and catalytic role when they are fully integrated with results-based management and where management activities are based on feedback from systematic M&E findings. M&E processes can help strengthen partnerships, participation, and ownership around GEF projects and concerns, which are essential principles of GEF operations and policies. As a consequence, the GEF will emphasize the quality of M&E systems and ensure that their findings are disseminated widely.
5. A strong performance management system is essential in building confidence among partners—both stakeholders and beneficiaries—in the reliability of information on development effectiveness. By making requirements and expectations more explicit and consolidated, the M&E policy should encourage conduct of good monitoring and evaluation at various levels of programming. This is particularly important given the specific challenges in measuring and aggregating GEF global results.
6. The M&E functions of the GEF were established after the GEF restructuring in 1994, when the GEF Council was entrusted with the responsibility for developing, adopting, and evaluating the operational policies and programs for GEF activities. A framework for monitoring and evaluation was approved in May 1997 as the Framework and Work Program for GEF's Monitoring, Evaluation and Dissemination Activities (GEF/C.8/4). As a result of the Second Overall Performance Study and replenishment of the GEF Trust Fund, the GEF Monitoring and Evaluation Unit was made independent in 2003 and now reports directly to the GEF Council. In November 2004, the GEF Council renamed the unit as the GEF Office of Monitoring and Evaluation (now the GEF Evaluation Office) and requested it to proceed with developing a new policy for M&E in the GEF.
7. This policy aims to explain the concept, role, and use of monitoring and evaluation within the GEF and define the institutional framework and define responsibilities. On evaluation issues, the policy elaborates on key aspects of the Terms

**This policy defines
M&E and outlines
the responsibilities
of the partners.**

of Reference (TOR) for an Independent M&E Unit, approved by the Council July 28, 2003. Specifically, it establishes requirements for how GEF activities should be monitored and evaluated in line with international principles, norms, and standards for monitoring and evaluation. The policy does not address aspects of trustee management of the GEF Trust Fund, financial and managerial audit, or investigation mechanisms, which are subject to other provisions of the GEF Instrument.

8. The GEF M&E policy shall remain in effect until and unless the Council decides otherwise. To ensure that the policy remains relevant to evolving circumstances and will continue to conform to the highest international principles, norms, and standards in monitoring and evaluation, it will be kept under review and updated as necessary. The policy and its implementation will be evaluated at the end of GEF-4. Any proposals for changes in the policy will be presented by the GEF Evaluation Office to the Council for decision.
9. The policy will be operationalized through guidance on specific issues and standards developed by the GEF Evaluation Office in consultation with partners. The Office is authorized to publish and revise such guidelines, as required, in line with the policy. The policy and related guidelines will be shared with the GEF partners and the public through the GEF Evaluation Office website. The policy, guidelines, and administrative procedures will address all aspects of the Terms of Reference for an Independent M&E Unit of July 28, 2003.
10. The framework of monitoring and evaluation in the GEF is based on regular reporting to the GEF Council, in support of decision-making, policy-making, and accountability. This includes evaluation reports with management responses and reporting on evaluation follow-up, as well as annual performance reports and annual portfolio implementation reviews which include data from the project level. Figure 1 provides a flowchart of M&E reporting in the GEF.

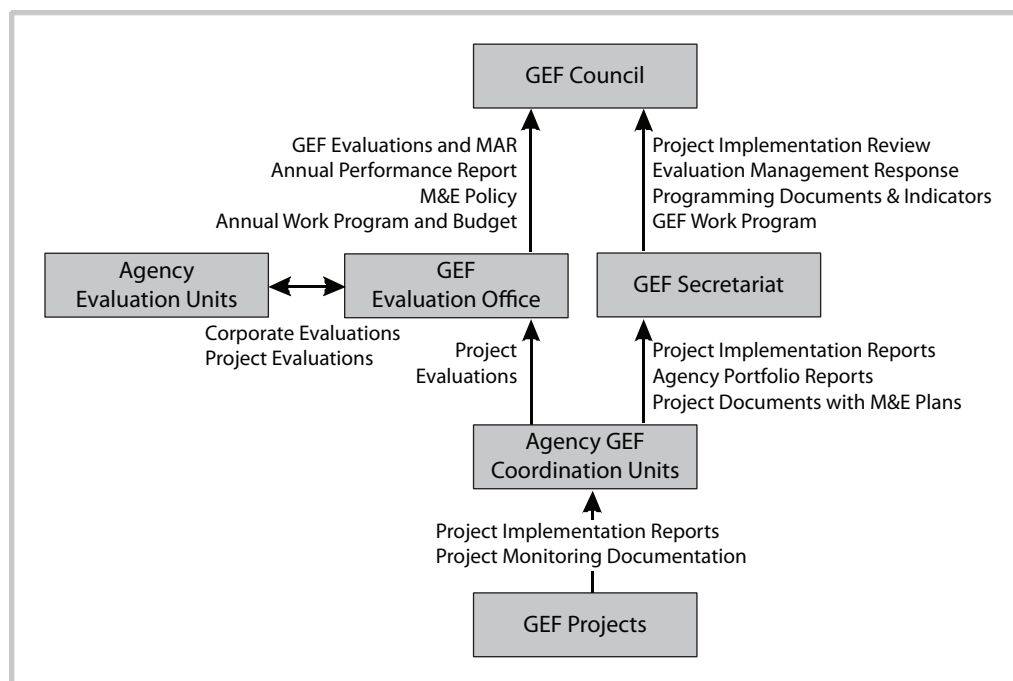
The policy will be operationalized through guidance on specific issues and standards.

1.2 Evaluation in the GEF

11. **Definition.** An evaluation is a systematic and impartial assessment of an activity, project, program, strategy, policy, sector, focal area, or other topics. It aims at determining the relevance, impact, effectiveness, efficiency, and sustainability of the interventions and contributions of the involved partners. An evaluation should provide evidence-based information that is credible, reliable, and useful, enabling the timely incorporation of findings, recommendations, and lessons into the decision-making processes.
12. **Use of Evaluation.** Evaluation feeds into management and decision-making processes regarding the development of policies and strategies; and the programming, implementation, and reporting of activities, projects, and programs. Thus, evaluation contributes to institutional learning and evidence-based policy-making, accountability, development effectiveness, and organizational effectiveness.

An evaluation is a systematic assessment of what works and what doesn't.

Figure 1
**Flowchart of
 M&E Reporting
 in the GEF**



Evaluation informs the planning, programming, budgeting, implementation, and reporting cycle. It aims at improving the institutional relevance and the achievement of results, optimizing the use of resources, providing client satisfaction, and maximizing the impact of the contribution provided.

13. **Types.** The evaluation approach and method must be adapted to the nature of the undertaking. Within the context of the GEF, the main types of evaluations conducted by various partners include:
 - a. **Project evaluations**—of projects under implementation, at the end of the intervention (terminal evaluation), and after the project end (ex-post evaluation) or before project start (ex ante—quality at entry).
 - b. **Program evaluations**—of a set of interventions to attain specific global, regional, country, or sector objectives. These include evaluations or studies of the GEF focal areas, operational programs, or strategic priorities.
 - c. **Country program evaluations**—of one or more agencies' portfolio of projects and activities, and the assistance strategy behind them, in a partner country. These include country portfolio evaluations, which assess how the country interacts with the GEF and how GEF support fits into the country's priorities.
 - d. **Impact evaluations**—of the long-term effects produced by an intervention, intended or unintended, direct or indirect. Impact may be assessed at proj-

ect, program, portfolio, and country levels, and includes global environmental benefits.

- e. **Cross-cutting and thematic evaluations**—of a selection of interventions, all of which address a specific concern in all or several countries, regions, and sectors. These include studies that assess topics of GEF operational programs, such as participation, gender, capacity building, policy, or technology.
 - f. **Process evaluations**—of the internal dynamics of participating organizations, instruments, mechanisms, and management practices. These include evaluations of institutional and procedural issues across GEF focal areas and assessments of experience with GEF policies, criteria, and procedures.
 - g. **Overall performance studies**—of the GEF, connected to the GEF replenishment and Assembly cycles. These address overriding issues such as the global impact and benefits of GEF programs, as well as GEF institutional arrangements, policies, strategies, programs, and priorities. The evaluations referred to in (a) to (f) above feed into the overall performance studies.
14. *Purposes of evaluation* include understanding why and the extent to which intended and unintended results are achieved, and their impact on stakeholders. Evaluation is an important source of evidence of the achievement of results and institutional performance, and contributes to knowledge and to organizational learning. Evaluation should serve as an agent of change and play a critical role in supporting accountability. Evaluation can be used to improve the design and performance of an ongoing program (a formative evaluation); to make an overall judgment about the effectiveness of a completed program, often to ensure accountability (a summative evaluation); and to generate knowledge about good practices. It should help the GEF to position itself to better address the pursuit of global environmental benefits. Evaluation differs from other oversight mechanisms, such as investigation and audit, that focus on the adequacy of management controls; compliance with regulations, rules, and established policies; and the adequacy of organizational structures and processes.

Evaluation asks,
“Are we on the right
track?”

1.3 Monitoring in the GEF

- 15. **Definition.** Monitoring is a continuous or periodic function that uses systematic collection of data, qualitative and quantitative, for the purposes of keeping activities on track. It is first and foremost a management instrument.
- 16. **Use of Monitoring.** Monitoring provides management and the main stakeholders of an ongoing development intervention with indications of the extent of progress and achievement of objectives and progress in the use of allocated funds. It provides regular feedback on program performance taking into account the external

Monitoring is
a periodic or
continuous
assessment
of whether
interventions are
proceeding as
planned.

environment. Information from systematic monitoring serves as a critical input to evaluation.

17. **Levels.** Within the context of the GEF, monitoring may take place on three levels:

- a. **Project level**—mainly of implementation process and activities, the delivery of outputs, and progress toward outcomes.
- b. **Portfolio level**—mainly of trends in implementation and outcome, namely the short- or medium-term effects of an intervention's outputs. This includes monitoring of focal areas and overall results for the GEF as well as monitoring of institutional issues.²
- c. **National and global level**—mainly of global environmental impact, based on independent data gathering and analysis by national bureaus of statistics and/or international bodies and organizations.

**Monitoring asks,
“Are we on track?”**

18. *Purposes of monitoring* include providing early information on progress or lack thereof toward achieving the intended objectives, outcomes, and impacts. By tracking progress, monitoring helps identify implementation issues that warrant decisions at different levels of management. A good monitoring system combines information from various levels—organizational, portfolio, and project—in such a way that it provides a comprehensive picture of performance and allows periodic reports to management that facilitate decision-making and learning.

Notes

1. For more details on the GEF, see “Instrument for the Establishment of the Restructured Global Environment Facility” (GEF Instrument).
2. The systems for portfolio monitoring will be further defined, following the approval of the Resource Allocation Framework and the shift of portfolio monitoring responsibilities to the GEF Secretariat, and issued in guidelines and/or updates to the policy.

2. Roles and Responsibilities

2.1 M&E Partners in the GEF

19. Monitoring and evaluation are a shared responsibility in the GEF. On different levels, for different partners, and involving different functions within the GEF, a complex picture emerges of who is involved and what will be done. This has been termed the M&E pyramid of the GEF (see figure 2): A wide base of project monitoring and evaluation taken care of by the Implementing Agencies, Executing Agencies, and their partners; a mid-level tier of indicators in focal areas, portfolio reviews, thematic and cross-cutting evaluations, and annual performance reports in which the GEF Secretariat and the GEF Evaluation Office add their efforts to those of other GEF partners; and, at the top, emerging environmental

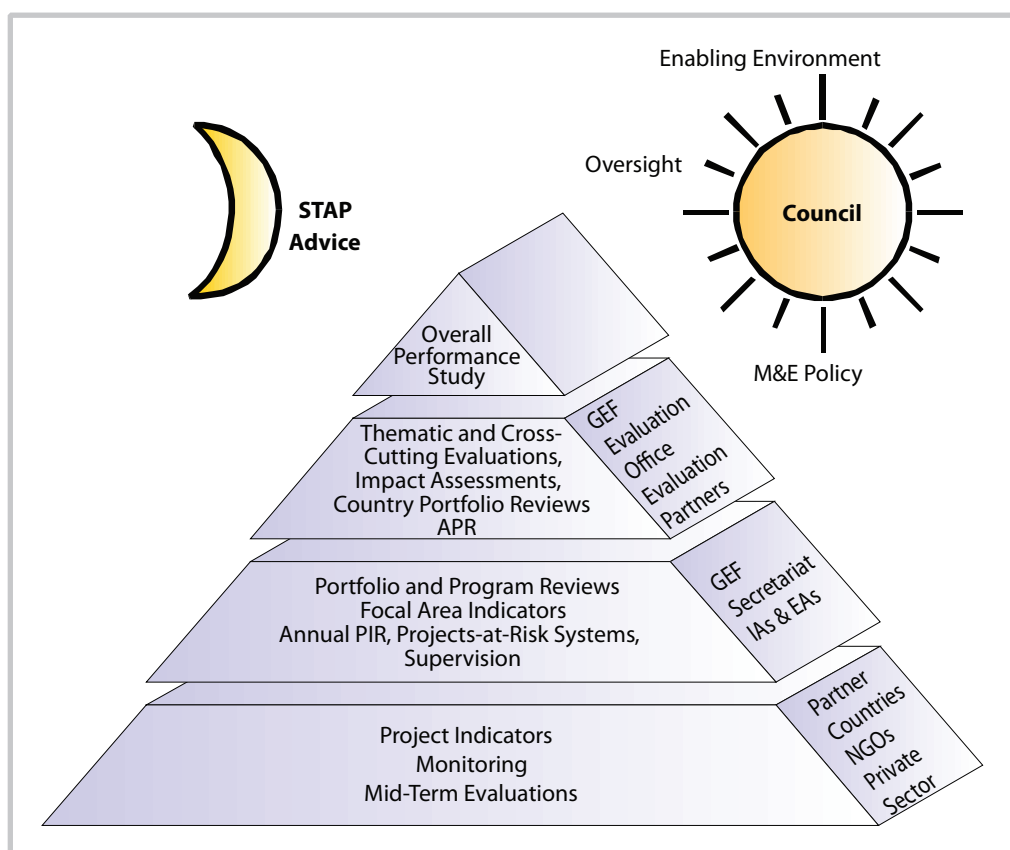


Figure 2
M&E Levels and Responsible Agencies in the GEF

and development trends and the GEF results within these trends, as reported on in the Overall Performance Study.

**Each partner uses
its own system for
M&E.**

20. The essence of a partnership is that each partner has its own system of governance and rules and regulations governing the implementation of activities, as well as the monitoring and evaluation of these activities. The GEF Council can adopt principles, norms, and standards for those parts of the GEF for which it is directly responsible, such as the Secretariat, the Evaluation Office, and the Scientific and Technical Advisory Panel (STAP), but it does not have the authority to do so for the Implementing and Executing Agencies of the GEF. However, the GEF Council can decide on which partners it collaborates with and can require minimum standards and minimum procedures to be applied in this collaboration. For this reason, the policy contains principles, norms, and standards for the work of the GEF Secretariat in monitoring and for the work of the Evaluation Office, but sets out minimum requirements on monitoring and evaluation for the Implementing and Executing Agencies and other partners.
21. This section contains a brief description of the key roles and responsibilities of each GEF partner in monitoring and evaluation, reflecting mandate, comparative advantage, and the recent shift in M&E responsibilities.¹ Under the overarching guidance and oversight of the GEF Council to ensure that the M&E functions in the GEF are properly assigned and conducted, the GEF Evaluation Office undertakes corporate evaluation work and supports the application of internationally accepted norms and standards. The Office works closely with the evaluation departments of the Implementing and Executing Agencies to enhance the combined capacity of the GEF to fulfill evaluation needs effectively and efficiently. In fulfilling their management functions, the agency operational departments and the GEF Secretariat ensure monitoring of and reporting on progress and results at the project and consolidated portfolio levels, respectively. In line with the GEF Instrument, both monitoring and evaluation processes must fully draw on the capacities and knowledge of scientific advisers, program governments, local stakeholders, and beneficiaries. Table 1 provides an overview of the main roles and responsibilities for M&E of the key partners.

2.2 GEF Council

**The GEF Council
sets the M&E
policy.**

22. The GEF Council ensures accountability and oversight of GEF performance. As such, it develops, adopts, and evaluates the operational policies and programs for GEF-financed activities; keeps under review the operation of the GEF with respect to its purposes, scope, and objectives; and ensures that the GEF policies and work program, including operational strategies and projects, are monitored and evaluated on a regular basis. The Council uses M&E to complement a larger system of financial oversight and accountability within the GEF Trustee and agencies. On behalf of the Council, the GEF Trustee ensures the maintenance of appropriate

Table 1
Key Roles and Responsibilities of GEF Partners in M&E

Partner	Key Roles and Responsibilities in M&E
GEF Council	Policy-making on M&E Oversight of M&E functions Enabling environment for M&E
GEF Evaluation Office	Independent GEF evaluation Oversight of M&E Setting minimum requirements for GEF M&E
GEF Secretariat	GEF portfolio monitoring and reporting Review of GEF M&E requirements in project proposals
Agency GEF operational units	Monitoring of the Agency GEF portfolio Ensure M&E at the project level
Agency evaluation units	Project and/or corporate Agency evaluations Mainstreaming GEF into relevant Agency evaluation
STAP	Advice on scientific/technical matters in M&E Support to scientific and technical indicators
Participating countries	Collaboration on M&E at portfolio and project levels
Stakeholders	Participation in monitoring activities and mechanisms Providing views and perceptions to evaluations

records and accounts of the fund and provides for their audit, in accordance with the rules of the trustee.

23. The GEF Council provides an enabling environment for M&E activities in line with internationally accepted standards. The Council ensures that adequate resources are allocated to enable the evaluation function to operate effectively and with due independence and that evaluators have the freedom to conduct their work without repercussions for career development; it also appoints a professionally competent Director of Evaluation. It promotes transparency, participation, and disclosure in monitoring and evaluation findings, and ensures that sufficient time is dedicated to discussion of M&E issues at Council meetings.
24. The GEF Council, together with the GEF Chief Executive Officer (CEO) and the GEF Director of Evaluation, are responsible for ensuring active use of monitoring and evaluation products for decision-making and management through an M&E planning system; systematic consideration of findings, conclusions, and recommendations; and repositories of lessons learned.

2.3 GEF Evaluation Office

25. The GEF Evaluation Office has the central role of ensuring the independent evaluation function within the GEF, setting minimum requirements for monitoring and evaluation, ensuring oversight of the quality of M&E systems on the program and project levels, and sharing evaluative evidence within the GEF. The objectives

The Office undertakes independent evaluations.

and tasks of the Office in relation to the Council are presented in section 4 of the policy. This section summarizes the role and general responsibilities of the Office.

26. The Office has the responsibility for undertaking independent evaluations that involve a set of projects from more than one Implementing or Executing Agency. These evaluations are typically on a strategic level, on focal areas, or on cross-cutting themes. Furthermore, institutional evaluations are undertaken. Where possible and to prevent duplication and promote synergies, the Office will collaborate in these evaluations with independent evaluation offices of the Implementing and Executing Agencies.
27. Within the GEF, the Evaluation Office facilitates cooperation with and among the GEF partners on matters of evaluation and monitoring. This includes the establishment of procedures and guidelines on evaluation of GEF matters, based on the highest internationally recognized standards, and collaboration with the GEF Secretariat and agencies to establish requirements for portfolio monitoring.
28. In support of the Council's oversight role and to promote accountability, the GEF Evaluation Office reports directly and regularly to the Council with periodic information on the quality of M&E systems, where relevant for the implementation of GEF projects and programs. This information is presented in an annual performance report and is based on evaluative evidence developed by the GEF Evaluation Office, agency evaluation departments, or by operational units and reviewed by independent quality assurance mechanisms. The Office also reviews project terminal evaluations submitted by the agencies. The report focuses on the ex-post results of GEF projects and trends in compliance with the minimum requirements on project design of M&E, application of project M&E, and project evaluation. In the future, it may also cover trends in the quality of portfolio monitoring.
29. The GEF Evaluation Office supports knowledge sharing and follow-up of evaluation recommendations. It works with the GEF Secretariat and the Implementing and Executing Agencies to establish systems to disseminate lessons learned and best practices emanating from M&E activities, and provides independent evaluative evidence to the GEF knowledge base.
30. The GEF Director of Evaluation is accountable directly to the GEF Council for the work of the Office, and may propose to the Council any measure that he or she believes is necessary to ensure evaluation independence. In line with his/her TOR,² the Director manages the GEF Evaluation Office and its budget by implementing strategic decisions by the GEF Council, providing overall direction and management of resources and strengthening institutional relationships. The Director is solely responsible for personnel decisions in the GEF Evaluation Office in accordance with staff rules.

**The Director of
Evaluation is
accountable to the
GEF Council for the
Office's work.**

2.4 GEF Secretariat

**The Secretariat
monitors the
overall GEF
portfolio.**

31. The GEF Secretariat is responsible for monitoring the overall GEF portfolio which covers all focal areas and Implementing or Executing Agency projects. This may entail aggregation of findings for project focal areas, operational programs, agency, or project type. Based on information of the Implementing and Executing Agencies on their ongoing projects during the year, the GEF Secretariat produces an annual implementation review in which it presents an overview of progress toward results, including outcomes, implementation issues, and portfolio-wide trends to the GEF Council.
32. In support of effective monitoring, the GEF Secretariat takes the lead in the identification of portfolio- or program-level indicators and the use of data for monitoring performance on program indicators. It reviews all projects prior to their approval to ensure that they meet GEF M&E requirements. It also works with the GEF Evaluation Office in establishing monitoring requirements at the project and portfolio levels. The Secretariat ensures that projects meet the minimum M&E requirements before work program entry for full-sized projects and before CEO approval for medium-sized projects.
33. The GEF Secretariat takes the lead in developing GEF knowledge management systems that use monitoring and evaluation information. It facilitates cooperation in comprehensive monitoring and learning at the portfolio level by bringing together relevant partners in task forces and establishing mechanisms and systems for knowledge capture and dissemination.
34. In support of evaluation, the GEF Secretariat responds promptly and fully to GEF Evaluation Office requests for information relating to GEF projects, coordinates the GEF system management response to corporate evaluations, provides certain administrative support for the GEF Evaluation Office, and consults with the Evaluation Office when conducting reviews of GEF-related aspects.
35. In its managerial capacity, the GEF Secretariat ensures that findings and recommendations emanating from M&E activities are followed up with regard to GEF policies, programs, and procedures, and that related Council decisions are implemented. The Secretariat ensures that results and lessons identified through M&E activities are adequately reflected in public information about the GEF. Its activities of governance, program management, and relations with constituents are covered by the GEF corporate budget. This includes preparation of the annual GEF Project Implementation Review, activities to gather and disseminate best practices to improve portfolio quality and foster replication, providing information required by the Evaluation Office, and preparing joint management responses to evaluations.³

2.5 Implementing and Executing Agencies

Operational Units

**The agencies
ensure M&E at the
project level.**

36. The agencies are responsible for developing M&E plans and performance and results indicators for projects, and for adequately monitoring project activities, production of outputs, and progress toward outcomes. Through their internal monitoring systems, the relevant agency operational departments ensure periodic assessment of trends and issues in their GEF agency portfolio, and periodic reporting (at least annually) to the GEF Secretariat on project implementation and performance. They also work with the GEF Secretariat in developing program indicators in focal areas where operational policies and programs have been endorsed.
37. The agencies are responsible for ensuring that projects are evaluated periodically and in line with internationally recognized standards, and that any project or portfolio evaluations conducted are shared with the GEF Evaluation Office. The agencies support the GEF Evaluation Office by responding promptly and fully to requests for information or support relating to M&E of GEF activities, and by making project evaluations publicly accessible and project documentation available to the GEF Evaluation Office. Agencies ensure that their staff are aware of this responsibility.
38. The agencies work with the departments of the other GEF partners to exchange lessons learned and information, and incorporate lessons learned into their operational policies, programs, or projects as appropriate. They also encourage public involvement in all stages of the project cycle by fully consulting with, informing, and briefing GEF participating countries and stakeholders regarding M&E activities.
39. The three Implementing Agencies receive a GEF corporate budget. All agencies receive project allocations and project fees. Project allocations cover the costs of goods, work, and services procured by GEF grant recipients as part of the preparation and implementation of projects, including specific activities to undertake monitoring and evaluation. Project fees allow Implementing and Executing Agencies to provide project cycle management services related to the GEF projects they manage. These services include portfolio development and management by regional and operational units, project identification, assistance to recipient countries in their project development and preparation, appraisal of project proposals and negotiation of GEF co-financed operations, supervision of GEF projects, preparation of implementation completion reports, and reviews by the respective agency's evaluation office. The agencies also provide inputs to the GEF Evaluation Office and prepare joint management responses.⁴

Evaluation Units

40. The evaluation departments of agencies have agreed to exchange their evaluation agendas or work plans with the GEF Evaluation Office to seek possible areas of

common interest and cooperation, and possible joint evaluations. They encourage optimal coverage of environment-related issues in their evaluation plans. For relevant evaluations covering issues of GEF concern and the GEF portfolio, the evaluation departments provide opportunities to the GEF Evaluation Office to interact with regard to TOR, approach, and scope. Where a notable GEF portfolio exists, the agency corporate evaluations should integrate and reflect this as much as possible—for example, in their country portfolio evaluations, impact evaluations, and thematic evaluations. The agency evaluation offices will also cooperate on norms, standards, and quality of evaluations. Agencies are expected to provide adequate financial support for evaluation units to undertake their work in a way that does not detract from the independent conduct of evaluations. Bilateral consultations will be organized between the GEF Evaluation Office and agency evaluation offices to address any systemic issues, including budgetary issues. Any unresolved issues will be raised by the GEF Evaluation Office for the Council's attention.

The Evaluation Office collaborates with the evaluation units of the Agencies.

2.6 Scientific and Technical Advisory Panel

41. The GEF Scientific and Technical Advisory Panel will provide timely and relevant advice on scientific and technical matters related to monitoring and evaluation activities. The Chair of the STAP takes part in relevant meetings and consultations on M&E in the GEF.
42. The STAP provides advice on the work program of the GEF Evaluation Office related to evaluations with science and technology components, and suggestions on such subjects to evaluate. It may also provide opinions on the evaluability of scientific aspects and related methodologies for measuring global environmental impacts, in response to evaluation approach papers, TOR, or reports. STAP members may also be called upon for direct support of an evaluation while respecting the independence of both the STAP and the GEF Evaluation Office.
43. The STAP will also support, on request, monitoring of scientific and technical aspects of the GEF, through knowledge management and information sharing for scientific and technical evaluation of the portfolio. The STAP supports the GEF Secretariat in the development and use of scientific indicators to measure impact at national and portfolio levels. Its work is covered by the GEF corporate budget.

The STAP provides advice on indicators and methodologies.

2.7 Participating Countries

44. A number of entities in GEF participating countries are involved in monitoring and evaluation in different ways. Many countries are undertaking efforts to establish or improve national monitoring, evaluation, and assessment systems on local and global environmental benefits. This may include efforts to improve basic census and other data in partner countries, establishing national and project baselines, using national communications and inventories of global environmental

Involvement of participating countries is a special challenge.

benefits, participating in various global initiatives such as the Global Reporting Initiative and monitoring of the Millennium Development Goals, with the support of development partners as appropriate.

**Focal points play a
key role.**

45. In line with the GEF operational principles, GEF M&E activities shall be country-driven and provide for consultation and participation. The GEF participating countries directly involved in an M&E activity will be fully consulted with and informed and briefed about the plans, implementation, and results of the evaluation activity. Staff members of the cooperating governments or institutions will be expected to support evaluations by responding promptly and fully to evaluation office requests for information relating to GEF projects, portfolio, or policies and for sharing relevant experiences. The GEF Focal Point has a particular responsibility for use of, follow-up to, and action on evaluation recommendations related to GEF matters and directed at the regional, national, local, and project levels and for integrating lessons into project proposals. The Focal Point also plays a key role in keeping stakeholders fully consulted with, informed on, and involved in the plans, implementation, and results of country-related GEF M&E activities.

2.8 Stakeholders

**Stakeholder
perspectives will
be heard.**

46. A number of locally and internationally based stakeholders are involved in GEF monitoring and evaluation activities. Stakeholders are the individuals, groups, or institutions that have an interest or stake in the outcome of a GEF-financed project, including those potentially affected by a project. Stakeholders may include recipient country governments, implementing agencies, project executing agencies, groups contracted to conduct project activities at various stages of the project, and other groups in the civil society that may have an interest in the project. Their involvement in M&E depends on the project and the role of the stakeholder. For example, academic institutions or private sector companies that are involved with the project may support monitoring activities directly and provide outside perspectives and expertise. NGOs and civil society organizations may play an important role in monitoring local-level project activities, as well as providing feedback as beneficiaries or as representatives of community groups.
47. Consistent with provisions in the GEF Instrument, there should be transparency in the preparation, conduct, reporting, and evaluation of public involvement activities in all projects, including for monitoring and evaluation. This ensures full disclosure of all nonconfidential information, and consultation with major groups and local communities in monitoring and evaluation. M&E in the GEF shall involve project stakeholders and beneficiaries, both as participants and contributors and as users and beneficiaries as appropriate. Stakeholder participation and participatory approaches to M&E are particularly necessary in projects that affect the incomes and livelihoods of local groups, especially disadvantaged populations

in and around project sites (for example, indigenous communities, women, and poor households).

48. The stakeholders have a particular responsibility in providing their views and perspectives. They use monitoring and evaluation to assess progress, raise issues, or confirm the achievement of results to improve performance and learning. In the design of monitoring systems and in the TORs for evaluations, the specific possibilities for interaction with stakeholders and participation of the various groups of stakeholders will be identified, taking account of conditions such as cultural, political, and project-specific factors. Any budgetary requirements will be addressed in the relevant project proposals.

Notes

1. GEF Council decision based on GEF/ME.C.24, Elements of a New M&E Policy.
2. Terms of Reference for an Independent Monitoring and Evaluation Unit, July 28, 2003, Annex I (GEF/C.21/12.Rev.1).
3. GEF/C.25/7, Corporate Budget, FY06.
4. GEF/C.25/7, Corporate Budget, FY06.

3. Evaluation Criteria and Minimum Requirements

3.1 International Criteria and Minimum Requirements

49. The work of the Implementing and Executing Agencies in monitoring and evaluation is in various degrees guided by internationally recognized principles, norms, and standards. Almost all Implementing and Executing Agencies have well-formulated policies and regulations, which contain norms and standards. Although there is a general convergence toward internationally recognized norms and standards, there is also a divergence caused by the specific goals and objectives of the Implementing and Executing Agencies. These different goals call for differences in emphasis and for differences in application of standards across agencies. This means that it is difficult to formulate precise principles, norms, and standards that are common throughout the GEF network. Nevertheless, it is expected that, in future, more convergence may appear, due to developments in the UN evaluation system and in the system of the Banks.
50. The UN Evaluation Group has recently adopted professional norms and standards for evaluation. These norms and standards have been compiled taking into account the state of the art in evaluation in the bilateral community (in the Organisation for Economic Co-operation and Development's Development Assistance Committee—OECD DAC—Evaluation Network) and in the Evaluation Coordination Group of the Banks. The UN Evaluation Group proposes that each UN agency adopt an evaluation policy in which the norms and standards will be translated to the specific situation of that agency. Furthermore, a system of peer reviews will be developed to help each agency achieve better performance and better adaptation of the UN Evaluation Group norms and standards.
51. The Evaluation Coordination Group of the Banks is following a different route. This organization has not adopted any professional norms and standards, but has benchmarked best practices in evaluation in several subject areas, in order to harmonize and improve evaluation performance throughout the Banks. A special issue is the independence of evaluation, which has received strong attention and has led to formulation of a template for independence and a peer review on independence, which allows each Bank to fine-tune its organizational set-up, if and when necessary.

This policy is based on the highest international norms and standards for evaluation.

52. The OECD DAC Evaluation Network has, for more than a decade, been the most active and authoritative forum for discussing professional norms and standards in evaluation of development and grant-related issues. The DAC Principles for Evaluation of Development Assistance, which were adopted by the DAC High Level Meeting in 1991, remain to this day the internationally best-known principles and criteria for evaluating grants. Currently, the DAC Evaluation Network is working on minimum standards for evaluations and a peer review process to assess the quality of evaluations and evaluation systems. This peer review system will be extended beyond the bilateral evaluation community to the UN system and eventually to the Banks.
53. No professional norms and standards have been formulated on monitoring in the bilateral, UN, or Bank communities. However, it is common to formulate minimum requirements for monitoring systems: that projects shall have them, that they need to be tied into the logical framework targets and indicators as much as possible, and so on. However, it is also recognized that, in general, monitoring systems are project specific—that is, they need to be designed to fit into the specific circumstances of the projects.
54. A key international norm concerns the adequate provision of resources to enable monitoring and evaluation functions to operate effectively. Planning for M&E must be an explicit part of planning and budgeting at the project level and for the organization as a whole. Monitoring and evaluation in the GEF should be managed to ensure cost effectiveness in terms of adding value to the portfolio. The costing and budgeting of M&E activities shall be addressed, as appropriate, in the budgetary planning of the independent GEF Evaluation Office, the GEF corporate budget, the agency fee system, and project budgets. This would include any additional financial implications of addressing the minimum requirements and responsibilities of this policy.
55. The monitoring and evaluation criteria, minimum requirements, and key principles will be further elaborated in guidelines that will incorporate relevant sections of the TOR of July 28, 2003.

3.2 Monitoring and Evaluation Criteria

Criteria for monitoring

56. GEF projects and programs will adopt monitoring systems, including planning for relevant performance indicators, that are SMART:
 - a. **Specific.** The system captures the essence of the desired result by clearly and directly relating to the achievement of an objective and only that objective.

**Criteria for
evaluation**

- b. **Measurable.** The monitoring system and indicators are unambiguously specified so that all parties agree on what they cover and there are practical ways to measure them.
 - c. **Achievable and Attributable.** The system identifies what changes are anticipated as a result of the intervention and whether the results are realistic. Attribution requires that changes in the targeted developmental issue can be linked to the intervention.
 - d. **Relevant and Realistic.** The system establishes levels of performance that are likely to be achieved in a practical manner and that reflect the expectations of stakeholders.
 - e. **Time-Bound, Timely, Trackable, and Targeted.** The system allows progress to be tracked in a cost-effective manner at the desired frequency for a set period, with clear identification of the particular stakeholder group(s) to be affected by the project or program.
57. In general, evaluations in the GEF explore five major criteria, not all of which need to be systematically reviewed in all cases:
- a. **Relevance.** The extent to which the activity is suited to local and national development priorities and organizational policies, including changes over time.
 - b. **Effectiveness.** The extent to which an objective has been achieved or how likely it is to be achieved.
 - c. **Efficiency.** The extent to which results have been delivered with the least costly resources possible; also called cost effectiveness or efficacy.
 - d. **Results.** The positive and negative, and foreseen and unforeseen, changes to and effects produced by a development intervention. In GEF terms, results include direct project outputs, short- to medium-term outcomes, and longer term impact including global environmental benefits, replication effects, and other local effects.
 - e. **Sustainability.** The likely ability of an intervention to continue to deliver benefits for an extended period of time after completion. Projects need to be environmentally as well as financially and socially sustainable.

3.3 Minimum Requirements and Key Principles

58. The following minimum requirements shall be applied to monitoring and evaluation on the project level.

A good M&E plan...**Minimum Requirement 1: Project Design of M&E**

All projects will include a concrete and fully budgeted monitoring and evaluation plan by the time of work program entry for full-sized projects and CEO approval for medium-sized projects. This monitoring and evaluation plan will contain as a minimum:

- SMART indicators for project implementation, or, if no indicators are identified, an alternative plan for monitoring that will deliver reliable and valid information to management;
- SMART indicators for results (outcomes and, if applicable, impacts), and, where appropriate, indicators identified at the corporate level;
- baseline for the project, with a description of the problem to be addressed, with indicator data, or, if major baseline indicators are not identified, an alternative plan for addressing this within one year of implementation;
- identification of reviews and evaluations that will be undertaken, such as mid-term reviews or evaluations of activities; and
- organizational set-up and budgets for monitoring and evaluation.

59. GEF project objectives and intended results should be specific and measurable, so as to make it possible to monitor and evaluate the project effectively. The baseline data would be developed for the key results indicators. In rare cases, further development of the M&E design, especially related to baseline data, may be required between work program entry and CEO approval or during the first year of implementation. The presence of the M&E plan and baseline would be considered as a performance measure of satisfactory M&E in the first Project Implementation Report. Where available, agencies may encourage attention at the project development facility stage to ensure timely M&E planning.

**...that is
implemented...****Minimum Requirement 2: Application of Project M&E**

Project monitoring and supervision will include implementation of the M&E plan, comprising:

- SMART indicators for implementation are actively used, or if not, a reasonable explanation is provided;
- SMART indicators for results are actively used, or if not, a reasonable explanation is provided;
- the baseline for the project is fully established and data compiled to review progress reviews, and evaluations are undertaken as planned; and
- the organizational set-up for M&E is operational and budgets are spent as planned.

60. GEF project monitoring provides agency management with a basis for decision-making on progress and the GEF with information on results. In order to be used for conclusions and decisions, monitoring would use both qualitative and quanti-

tative data to report accurately on the production of outputs and progress toward outcomes, identify key implementation issues, and propose actions to solve these. Periodic reports should be based on a principle of continuity to allow for tracking of results and progress. To be valid, monitoring should be based on periodic observation visits, capture the views of stakeholders, and explain any methodological limitations of its use of sources and data. M&E plans are dynamic tools and should be revised if the project scope changes significantly.

Minimum Requirement 3: Project Evaluation

Each full-sized project will be evaluated at the end of implementation. This evaluation will have the following minimum requirements:

- The evaluation will be undertaken independent of project management, or if undertaken by project management, will be reviewed by the evaluation office of the Implementing or Executing Agency or by independent quality assurance mechanisms of the agency.
- The evaluation will apply the norms and standards of the Implementing or Executing Agency concerned.
- The evaluation will assess at a minimum:
 - achievement of outputs and outcomes, and provide ratings for targeted objectives and outcomes;
 - likelihood of sustainability of outcomes at project termination, and provide a rating for this; and
 - whether minimum requirements for M&E 1 and 2 were met, and provide a rating for this.
- The report of this evaluation will contain at a minimum:
 - basic data on the evaluation:
 - when the evaluation took place,
 - who was involved,
 - the key questions, and
 - methodology—including application of the five evaluation criteria;
 - basic data of the project, including actual GEF and other expenditures;
 - lessons of broader applicability; and
 - the TOR of the evaluation (in an annex).
- The report of the evaluation will be sent to the GEF Evaluation Office immediately when ready, and, at the latest, within 12 months of completion of project implementation.

**...and a good
evaluation at the
end.**

61. Project evaluations should serve to provide lessons learned and recommendation for future projects, policies, or portfolios. Agencies will apply their internal arrangements for the conduct of evaluations and their cost to ensure that evaluation reports of GEF projects are credible, unbiased, consistent, and well documented in line with the requirements above. Each evaluation will assess results

(namely outputs, outcomes, and impact) according to the criteria of relevance, effectiveness, efficiency (or cost effectiveness), and sustainability, as applicable. Future GEF Council decisions on the concept of cost effectiveness may lead to minimum requirements for GEF projects to be incorporated into the M&E policy. The GEF medium-sized projects are more limited in duration and budget, and therefore merit consideration for tailored minimum evaluation requirements. The Joint Evaluation of the GEF Activity Cycle and Modalities will address the experience with medium-sized projects and provide recommendations in this regard.¹

Guiding principles

62. Furthermore, monitoring and evaluation in the GEF will be guided by the following principles, which have been identified as common denominators in the GEF, and which will be further developed through specific guidelines or procedures in the consultative process of the GEF Evaluation Office with its partners. These principles are not minimum requirements as such, but are internationally recognized professional ideals that need to be applied to the specific evaluations and monitoring systems that the GEF undertakes, or in which GEF partners collaborate.
 - a. **Independence.** Members of evaluation teams should be independent from both the policy-making process and the delivery and management of assistance. In particular, they should not in person have been engaged in the activities to be evaluated or been responsible in the past for the design, implementation, or supervision of the project, program, or policy to be evaluated. For evaluations conducted under the responsibility of project managers or line units, specific review mechanisms may help verify impartiality and rigor.
 - b. **Impartiality.** Evaluations must give a comprehensive and balanced presentation of strengths and weaknesses of the policy, program, project, or organizational unit being evaluated. The evaluation process should reflect impartiality at all stages and take into account the views of all stakeholders. Units commissioning evaluations should endeavor to ensure that evaluators selected are impartial and unbiased. The principle of absence of bias also applies to self-evaluations, self-assessments, internal reviews and reports, and monitoring actions.
 - c. **Transparency.** Transparency and consultation with the major stakeholders are essential features in all stages of both M&E processes. This involves clear communication concerning the purpose of the evaluation or monitoring activity, the criteria applied, and the intended use of the findings. Documentation emanating from monitoring and evaluations in easily consultable and readable form should also contribute to both transparency and legitimacy. Evaluation and monitoring reports shall provide transparent information on sources, methodologies, and approach.

- d. **Disclosure.** The lessons from monitoring and evaluation shall be disseminated by establishing effective feedback loops to policy-makers, operational staff, beneficiaries, and the general public. In the spirit of partnership, the GEF partners shall share GEF-related evaluation reports, monitoring reports, and other internal periodic reviews of progress and implementation and make findings and lessons available to project management for improved effectiveness. The GEF Evaluation Office shall be provided access to all project documentation of the Implementing and Executing Agencies relating to GEF-financed activities.
- e. **Ethical.** Monitoring and evaluation shall provide due regard for the welfare, beliefs, and customs of those involved or affected, avoiding conflict of interest. Evaluators must respect the right of institutions and individuals to provide information in confidence. If evidence of wrongdoing is uncovered, the evaluator or manager shall report such cases discreetly to the GEF Director of Evaluation, who will take appropriate action such as informing the investigative body of the agency concerned. Ethical monitoring and evaluation require that management and/or commissioners of evaluations remain open to the findings and do not allow vested interests to interfere with the evaluation.
- f. **Partnership.** GEF activities are being implemented through various partnerships of international organizations and national or nongovernmental entities, as well as bilateral donors involved through co-financing. The GEF Evaluation Office and the GEF partners shall actively explore the possibility of joint evaluations which would provide the GEF with insights and feedback that might not be realized through a stand-alone evaluation. The GEF partners shall help further GEF evaluation work through their participation in international groups and associations for monitoring and evaluation and the research community. GEF M&E activities shall be carried out with the participation of in-country stakeholders, including project management and NGOs involved in project implementation, to enable the beneficiaries to participate in the learning process with the GEF and to enable the GEF partnership to learn from them.
- g. **Competencies and Capacities.** Depending on the subject, monitoring and evaluation activities require a range of expertise that may be technical, environmental, or within a social science or the evaluation profession. Units commissioning evaluations are responsible for selecting independent-minded, experienced, and sufficiently senior evaluators, and adopting a rigorous methodology for the assessment of results and performance. Evaluations of GEF activities shall make the best possible use of local expertise, both technical and evaluative. The GEF partners shall, as feasible, cooperate to stimulate evaluation capacity development at the local level, with a specific focus on environmental evaluation concerns.

- h. **Credibility.** Monitoring and evaluation shall be credible and based on reliable data or observations. This implies that monitoring and evaluation reports shall reflect consistency and dependability in data, findings, judgments, and lessons learned, with reference to the quality of instruments and procedures and analysis used to collect and interpret information. Monitoring and evaluation at the project and portfolio levels shall use, as much as possible, dynamic and pragmatic techniques and indicators for measurement of results and progress.
- i. **Utility.** Monitoring and evaluation must serve the information needs of intended users. Partners, evaluators, and units commissioning evaluations shall endeavor to ensure that the work is well informed, relevant, and timely, and is clearly and concisely presented so as to be of maximum benefit to stakeholders. M&E reports should present in a complete and balanced way the evidence, findings or issues, conclusions, and recommendations. They shall be both results-and action-oriented.

Note

1. Until such time, current requirements to undertake medium-sized project evaluations remain in effect.

4. The GEF Evaluation Office

4.1 Mission Statement and Core Principles

63. In accordance with GEF Council decision,¹ the GEF Evaluation Office operates as an organizational unit that is independent of agency or GEF Secretariat management in the conduct of the evaluations that it undertakes. In its work, the Evaluation Office applies its mission statement:

**Enhancing Global Environmental Benefits through Excellence,
Independence, and Partnership in Monitoring and Evaluation.**

64. The GEF Evaluation Office will work in close partnership with other entities in the GEF and extend this collaboration to the global evaluation community in order to remain on the cutting edge of emerging and innovative methodologies and derive maximum benefits from collaboration. It will consult and collaborate with all relevant partners to foster a network of monitoring and evaluation professionals that may add value to GEF operations and results.

65. The Office will adhere to the principles listed in paragraph 62, namely independence, impartiality, transparency, disclosure, ethics, partnership, competencies and capacities, credibility, and utility. In undertaking its work, the Office will especially focus on:²

- a. **Impartiality**—conducting evaluations and arriving at the findings in a balanced and unbiased way.
- b. **Professionalism**—applying the latest evaluation knowledge and skills with integrity, accountability, and respect.
- c. **Transparency**—ensuring full disclosure and active communication with stakeholders on evaluation priorities, evaluation TOR, methodology, and the formulation of findings and recommendations, at appropriate times.

4.2 Key Functions

66. Within the GEF, the Evaluation Office pursues the goals of improved accountability and learning through three main functions:

- a. **An Evaluative Function.** The main function of the Office is to independently evaluate the effectiveness of GEF programs and resource allocations on project, program, country, portfolio, and institutional levels.
- b. **A Normative Function.** The Evaluation Office is tasked to set minimum monitoring and evaluation standards within the GEF in order to ensure improved and consistent measurement of GEF results.
- c. **An Oversight Function.** The Office provides quality control of the minimum requirements of monitoring and evaluation practices in the GEF, in full cooperation with relevant units in the Implementing and Executing Agencies, and tracks implementation of Council decisions related to evaluation recommendations.

67. In the exercise of these functions, the Director of Evaluation participates in GEF Council, Assembly, and replenishment preparatory and regular meetings on monitoring and evaluation issues, and responds to Council requests on any related matters. The Council has direct access to the Director of Evaluation and his/her staff, and the Director of Evaluation may communicate directly with Council members during and between Council meetings or arrange special meetings as deemed appropriate and without prior clearance from anyone outside the GEF Evaluation Office. Furthermore, the Director may propose decisions to the GEF Council on a no-objection basis between Council sessions.

**The Office is fully
independent...**

68. The GEF Evaluation Office will be independent from both the policy-making process and the delivery and management of assistance to guarantee that data gathering and analysis and judgments on criteria, findings, and recommendations will not be influenced by conflicts of interest or undue interference by management at any level. The Secretariat, Implementing and Executing Agencies, and other affected parties may receive, comment, and respond to the draft and final reports, but will not have the right to approve, hold back, request changes, or otherwise modify such draft and final evaluation reports. The Director will issue final evaluation reports directly and simultaneously to the GEF Council and the GEF CEO without any prior clearance from anyone.

**...and interacts
directly with the
Council...**

69. To avoid conflict of interest, the Director will establish clear conflict of interest rules for the Office staff. In this connection, an evaluation will not be entrusted to an Office staff member who has been responsible in the past for the design, implementation, or supervision of the project, program, or policy to be evaluated. The Office will not engage consultants who have worked previously on the design or implementation of a project, program, or policy to conduct evaluation analysis or prepare evaluation reports.

70. The Director of Evaluation formulates independent of management a four-year rolling program of work and an annual budgetary request and submits these

directly to the Council for approval; the budgetary needs of the agencies and the GEF Secretariat are addressed separately in the GEF corporate budget and through project fees. As detailed in each four-year work program,³ evaluation programming will be developed based on transparent criteria and reflect a phased approach over a GEF replenishment period to ensure adequate evaluation coverage for promoting accountability and learning. For every major evaluation, the GEF Evaluation Office will prepare an approach paper which will be shared for comments with all the partners involved to allow for stakeholder feedback.

...and proposes its own budget and work plan.

4.3 Tasks and Activities

71. The GEF Evaluation Office functions will be implemented through the following tasks:
 - a. Developing policies, operational guidelines, and standards relating to monitoring and evaluation components in project, portfolio, program, or corporate monitoring and evaluation activities, and providing related support.
 - b. Conducting evaluations of GEF operational programs and strategic priorities, country portfolio and impact evaluations, cross-cutting and thematic studies, institutional and procedural issues, and any other matter approved or requested by the Council.
 - c. Managing comprehensive independent evaluations of the GEF's overall performance in preparation for the GEF replenishment and Assembly every four years.
 - d. Tracking and reporting on implementation of Council decisions on evaluation recommendations and related management responses.
 - e. Collaborating with GEF partners and taking part in international professional fora to further monitoring and evaluation in the GEF.
 - f. Supporting performance measurement within the GEF by establishing criteria for measuring performance, results, and impact, and providing methodological support to the development of program indicator systems in partnership with the agencies, the STAP, and the GEF Secretariat.
 - g. Conducting validation exercises, as required, for oversight of monitoring and evaluation systems, including project reviews, reviews of evaluations, verification of progress toward targets, and/or implementation of recommendations.
 - h. Providing monitoring and evaluation data and information to assist the GEF in meeting its informational responsibilities to the GEF Council, the Assembly, the conventions that GEF serves, other partners, and the general public.

- i. Working with the Secretariat, the agencies, and other partners to disseminate lessons learned and best practices emanating from monitoring and evaluation activities, including through a formal feedback loop.
- j. Responding to Council requests.

Notes

1. GEF/C.21/12.Rev.1, Terms of Reference for an Independent Monitoring and Evaluation Unit.
2. GEF/ME/C.24/1, Elements for a New GEF Monitoring and Evaluation Policy.
3. GEF/ME/C.25/3, Four-Year Work Program and Budget of the Office of M&E—FY06-09.

5. Use of Evaluations

5.1 Follow-up

72. Satisfactory follow-up of monitoring and evaluation reports requires active engagement by all GEF partners. In all cases, offices issuing M&E reports will take responsibility for the quality of the final report, with acknowledgment of inputs and responses from stakeholders.
73. A *management response* will be required for all evaluation and performance reports presented to the GEF Council by the GEF Evaluation Office. The GEF CEO coordinates the preparation of the management response with agency stakeholders for GEF Council consideration, tailored to each evaluation report. The agencies ensure that recommendations from GEF-related evaluations conducted by the GEF Evaluation Office or departments within the agencies are submitted for decision-making and action within the agencies.
74. The Council discusses and reviews GEF monitoring and evaluation reports, the recommended actions, and the evaluation management responses; takes any necessary decisions; and gives guidance to the GEF on policies or an appropriate plan of action within specific time frames.
75. There will be a systematic follow-up on the implementation of the evaluation recommendations that have been accepted by management and/or the GEF Council, with periodic review and follow-up on the status of the implementation of the evaluation recommendations. In consultation with the appropriate GEF partners, the GEF Evaluation Office and the GEF Secretariat will report to the Council on the follow-up of the Council decisions compiled in a *Management Action Record* to be provided to the Council on an annual basis.

**Follow-up actions
to evaluations are
proposed...**

**...the Council
decides...**

**...implementation
is monitored.**

5.2 Knowledge Sharing

76. Monitoring and evaluation contributes to knowledge building and organizational improvement. Findings and lessons should be accessible to target audiences in a user-friendly way. Evaluation reports should be subject to a dynamic dissemination strategy tailored to the audience of that specific report; the strategy is described in the relevant evaluation approach paper and TOR.

Knowledge management is a process for improving performance by learning.

77. For the purposes of this policy, knowledge management is considered the process by which organizations generate value and improve performance from their intellectual and knowledge-based assets. Knowledge sharing enables partners to capitalize on lessons learned by gaining insight and understanding from experience, and by applying this knowledge to generate new knowledge. It helps the GEF create and transform knowledge into action, innovation, and change. Knowledge management is closely linked to performance enhancement and results-based management.

78. The main purposes of knowledge creation and sharing of monitoring and evaluation information in the GEF are to: (a) promote a culture of learning through better outreach to project and country levels by providing easily accessible learning products, and (b) promote the application of lessons learned to improve the performance of GEF activities.

79. Monitoring and evaluation are closely linked to policy-making, more informed management, and decision-making for strategic planning. Evaluations can provide a highly cost-effective way to improve the performance and impact of development policies, programs, and projects, especially where evaluations are conducted at the right time, with a focus on key issues of concern to policy-makers and managers. Furthermore, knowledge management supports policy-making by building a comprehensive body of evidence, lessons learned, and good practices from a number of evaluations and monitoring reports.

All partners are responsible for sharing lessons.

80. All GEF partners are responsible for actively and transparently contributing to knowledge and learning. Knowledge management and lessons learned dissemination strategies should be based on user needs and priorities and the latest technologies and approaches. They are based on the principle of integration with existing knowledge system in the agencies, to allow the partners to integrate and promote relevant learning from GEF monitoring and evaluation across respective portfolios, and for the GEF to benefit from wider knowledge bases. The development of and participation in knowledge management systems and communities of practice should increase access to knowledge and enhance knowledge sharing, collaboration, and innovation.

81. The GEF Secretariat coordinates the overall knowledge management strategy of the GEF, and promotes mechanisms to disseminate lessons learned and best practices emanating from monitoring activities in the GEF, through an appropriate repository of knowledge. Evaluation departments contribute evaluative and empirical evidence, independent validation, and causal analysis.

82. Lessons from M&E activities should in particular be made available to stakeholders directly involved in project formulation and implementation at the country level for improved effectiveness. The GEF partners will seek dynamic and interactive ways of disseminating findings from monitoring and evaluation activities

to a wide audience, including environmental entities, academia, research institutions, civil society, and the public. By sharing findings and lessons widely, M&E may contribute to increased awareness of the importance of global environmental benefits, confidence in GEF work, and leveraging of support.

83. The GEF Evaluation Office specifically supports knowledge sharing by ensuring the highest standards in accessibility and presentation for its published reports, providing additional learning products based on evaluations, using a range of channels to reach target audiences, participating in knowledge management activities, and facilitating interagency sharing of experiences relevant to the GEF. The Office will take full advantage of possible dynamic means of sharing lessons learned with a broader audience, including electronic and interactive channels, knowledge networks, and communities of practice.



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