

## **Joint Coordinated Submission by CSOs Active in the Green Climate Fund on the Draft GCF Evaluation Policy**

Thank you for the opportunity to provide feedback on the draft evaluation policy presented by the Independent Evaluation Unit (IEU) on December 14, 2018 for public comment. As organizations<sup>1</sup> that actively engage in the Green Climate Fund (GCF), we are pleased to see the development of a GCF Evaluation Policy making progress in line with Decision B.19/21.<sup>2</sup> We are building on and reiterating some of our earlier comments from our May 2018 joint submission, which highlighted key concerns, including but not limited to: realizing that the absence of relevant important evidence/data, such as social data, should be used to recommend how the GCF could help fill such data gaps through its projects/programs and operations; recognizing the importance of stakeholder engagement, participation, and inclusion through meaningful consultation with affected people, communities, and rights-holders, beginning with evaluation design; and ensuring that there are clear expectations for how evaluation results are presented and acted upon.

We are glad to see that some of our earlier comments have been considered in the draft Evaluation Policy presented for further input. Our new submission presents our thoughts in two primary sections; first, we share our overarching comments on the policy, including key points that we think are crucial in its continued development and ultimate implementation; secondly, we provide comments that correspond to each section of the policy as presented by the IEU.<sup>3</sup>

### **I. Overarching Comments**

As a starting commentary, in reading the document, we felt that the presentation of the draft policy could be more clearly structured – in line with how comparable GCF policies are presented for the Board’s consideration – by providing a more introductory, explanatory section on origin and context and process of development, followed by a separate annex with the complete draft policy (which is often presented as Annex II, with Annex I being the draft decision text for other GCF policies). Instead much of the commentary and narrative framing seemed integrated into this single document, including for example proposed changes to the IEU’s Terms of Reference, which technically should not be part of the Evaluation Policy, but should follow as actions from the adopted Evaluation Policy. Actionable items under the policy, once adopted, could for example be explained in the narrative framing, separated out as work or action plan in a separate section or Annex to be considered as part of the overall draft decision. This would help the reader to better understand the policy’s provisions and its implications.

The draft Evaluation Policy importantly points out that the IEU is the custodian of evaluation in the GCF, while acknowledging that under the GCF’s business model the role of the Accredited Entities, and in particular their evaluation functions, mechanisms and independent units, play a key role in ensuring that the GCF Evaluation Policy is implemented. This makes it all the more important that the Evaluation Policy clarifies its

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<sup>1</sup> Civil society organizations (CSOs) active in the GCF collaborated on this feedback on the draft policy by issuing an initial call for a small working group, discussing our comments via conference call, distributing the notes to both the working group and larger CSO network and welcoming input, and coordinating our writing of this document, including distribution and review by the larger CSO network. A number of CSOs provided input in this submission and additional CSOs signed on in support of the joint CSO commentary. They are listed at the end of the submission.

<sup>2</sup> GCF/B.19/43, Decision of the Board – nineteenth meeting of the Board, 26 February – March

<sup>3</sup> Available on the IEU Website at

<https://ieu.greenclimate.fund/documents/977793/985626/EvalPolicy181220.pdf/0fcd2a28-e111-d346-0c7c-5d075641e8e3>.

relationship to AE evaluation policies in more explicit terms by clearly articulating its primacy for all GCF investments. CSO experience with “equivalency approaches” for partner standards elsewhere (e.g., on environmental and social safeguards, or information disclosure requirements) has revealed that the possibility of carve-outs, loopholes, and alternate and often weaker standards are possible, and the GCF Evaluation Policy must be the final word in establishing the comprehensive framework and approach for all GCF-related evaluations, regardless of individual AE evaluation policies. Weaker approaches should not be condoned because AEs fail to have the appropriate standards in place, or lack capacity, and we appreciate the ask of the draft Evaluation Policy that evaluation capacity and appropriate systems in place are considered as a requirement for accreditation. Such a requirement, of course, needs to go hand-in-hand with support through appropriate capacity-building, via readiness activities, including by the GCF IEU, so that applicant entities, particularly Direct Access entities, some of which might initially lack articulated evaluation procedures, can have a successful path to accreditation.

Correspondingly, the articulation of the “primacy” of country ownership (para 6) in this policy needs to be contextualized. In the broader context of a secretariat, and especially an IEU that is trying to become empowered, this stronger language than the more traditional 'importance of country ownership' is potentially problematic. While the CSO group recognizes and believes in the importance of country ownership, the Secretariat and the IEU should be empowered to use the policy frameworks they have developed and expertise to support countries in the design and implementation of successful climate mitigation and adaptation actions.

We welcome the efforts by the IEU in the development process for the Evaluation Policy to engage stakeholders as an iterative process as broadly as possible. The IEU's recognition of stakeholder engagement as key to the success of the GCF's mission, and thus as a pre-condition for the Evaluation Policy to lead to more impactful GCF investments, should in our view be more explicitly elaborated in the draft policy. The policy is so far silent on when and how civil society stakeholders will be engaged and solicited for input, how an evaluation is going to be triggered (and what role there is for civil society observers to help trigger such evaluations), and it does not acknowledge that different segments of civil society have very differentiated abilities to provide input. Particularly the role of affected people, communities, and rights-holders should be solidified throughout the evaluation life-cycle. As our May 2018 submission referenced, engagement of communities in evaluation design builds trust in evaluation findings; additionally, the ability to know that an evaluation will follow when there are concerns raised about a project, policy, process, sector, or theme increases the trust in the accountability of the GCF to its stakeholders. While this draft does acknowledge the informative contributions civil society can make during the process of evaluation, broader stakeholder rights of participation should be enshrined in the policy, including as one of the key principles for evaluations under Section V of the draft policy.

A more participatory evaluation process that brings in affected people and communities should also entail the recognition that quantitative/data-driven analysis must be complemented by qualitative approaches and data, including traditional knowledge and experiences. Even if proxy indicators, such as the investment criteria indicators, must be used, no evaluation should be limited to quantitative analysis, and the complementary and not secondary role of qualitative data should be clearly expressed (this is indirectly referred by indicating that “mixed methods” will be used, although it should be more clearly elaborated in the main body of the policy). Particularly in cases where there is a lack of data, where CSOs are concerned that the failure of AEs to measure and track data will result in a presumption of neutral impact, qualitative data should be sought and used. Poor quantitative data collection history, such as missing baseline data, should not result in giving projects a pass on in-depth evaluations, including impact evaluations.

While we support a comprehensive evaluation policy where no aspect of the GCF is off the table for evaluation, the CSOs also seek to ensure the approach to evaluation recognizes the varying risk levels associated

with GCF investments in projects and programs and overall GCF processes. Selection of GCF investments for impact evaluations, for example, should not necessarily be random, but should also be informed by risk categorization, overall financial impact for the GCF (portfolio risk) or financing approaches with related concerns and experiences of stakeholders. For example, implementation of evaluation guidelines and standards to be developed under the GCF Evaluation Policy might be facing very different challenges by both the AEs as well as GCF Secretariat and IEU due diligence dependent on whether they are direct project investment or financially intermediated programmatic or fund-of-fund approaches with several levels of financial intermediation and corresponding oversight and/or evaluation and assessment structures. Given the GCF's business model and the fact that the majority of GCF investments, and those of a higher risk category and larger project/program size, are financially intermediated, a GCF Evaluation Policy, in order to be successful, needs to be mindful of these complexities.

This policy is an important step forward for the GCF and the IEU, a unit whose contributions to the GCF's mission and mandate and transformative impact in recipient countries are highly valued by the CSOs. We hope this policy ultimately enables more access to not only independent IEU evaluations, but also to other GCF-investment related evaluations by the AEs and the Secretariat. Given the importance, for example, that the draft Evaluation Policy places in the AEs' evaluation units with respect to their role in mid-term and final project evaluations, these should also be transparently disclosed as should be the AEs annual performance reports (APRs) of projects feeding into those evaluations, so that the ultimate function of evaluations for accountability and learning can be fully realized.

## **II. Section-by-Section Comments**

This section provides a more detailed look at specific recommendations, suggested approaches or references where CSOs have some questions and concerns in alignment with the proposed organization of the draft policy.

### **A. Objective**

Although this section states the document will focus on "elements of the policy and key attributes," the entire document appears not to differentiate between the elements of the policy itself, and facilitating frameworks and policy adjustments needed to implement such a policy (e.g., Revision of the TOR of IEU, budget process rules), as our overarching comments addressed. Those are usually not found as part of the policy itself, even though they might require some Board decisions. For example, they can be separately addressed as features of a Board decision that also approves the Evaluation Policy. The objective of this document simply does not seem to align with the broader approach that the articulation of the draft policy takes.

### **B. Context of the Evaluation Policy**

**Paragraph 3** raises a key question regarding the potential evaluation by the IEU of Board performance: Is independence of such an evaluation curtailed by Board oversight of the IEU (for example through the role of the Performance Oversight Committee established in Decision B.21/ to evaluate the head of the IEU, or the Board's power to approve or withhold budget requests)? An operational evaluation policy should outline how a board performance evaluation would be triggered and conducted in a way that would remain independent, such

as by the COP, or otherwise acknowledge that this conundrum must be addressed for the possibility of a Board performance review to even exist.

**Paragraph 4** fails to include specific reference of affected people, communities and rights-holders in its list of stakeholders. The blanket reference to civil society is not enough and does not adequately capture the key stakeholders to be involved in evaluations of GCF investments and related procedures and policies. At a bare minimum, the Evaluation Policy should refer back to the more detailed definition of stakeholders used in the GCF Governing Instrument under para. 71, where it refers to the development of “mechanisms to promote the input and participation of stakeholders, including private-sector actors, civil society organizations, vulnerable groups, women and indigenous peoples, in the design, development and implementation of the strategies and activities to be financed by the Fund.”<sup>4</sup> It could be argued that the Evaluation Policy and its goal is directly related to this mandate by the Governing Instrument.

The description of stakeholder consultation in the context of developing the draft Evaluation Policy referred to in **Paragraph 5** fails to mention whether any affected people, communities, and rights-holders were included in this process.

In **Paragraph 6**, the wording around the “primacy of country ownership”, as referenced in our overarching comments, raises concerns. In line with other policies, the Evaluation Policy could refer to the importance of country ownership or recognize it as a guiding principle of the GCF that of course also informs the Evaluation Policy. The principle of country ownership can be recognized without it assuming any sort of primacy over other considerations.

### C. Scope of the Evaluation Policy

This section, including **Table 1**, seems to introduce some confusion regarding references to existing GCF policies. The Performance Measurement Frameworks (PMFs, there are different ones for mitigation, adaptation and results-based finance/REDD+) are part of the overall Results Management Framework (RMF). They are distinct from the investment criteria and sub-criteria under the Investment Framework. Thus, the relationship of the Evaluation Policy to both and the extent it draws on indicators and criteria from both needs to be clarified.

In **Table 1, numbers 5 and 6**, there is a reference to the “policy” to set up the IIU and IRM, which should be the instead a reference to the “Terms of Reference” to set up all three these units, which were adopted with Decision B.06/09. In the same table, with reference to the other independent units, it clarifies that the IEU may evaluate their integrity and redress mechanism function. This raises the question of whether the Evaluation Policy should also acknowledge that the evaluation function of the IEU might also need independent evaluation and address who can and should potentially evaluate the work of the IEU. As with the evaluation of Board performance, mentioned above, understanding whether and how such an evaluation could happen and how its independence can be secured would be good to understand.

In **Table 1, numbers 2, 5 and 7**, there is a reference to the IEU’s ability (“may”) to undertake evaluations. This wording seems very weak and should be replaced by something like “can at any time” to indicate that this is a fundamental function of the IEU’s work.

Within the “evaluation function,” the scope should also cover the corrective actions that may be required of any actors as a result of evaluation. How will these actions be identified? How will their implementation be monitored to ensure learning and improvement?

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<sup>4</sup> Governing Instrument for the Green Climate Fund (2011), paragraph 71.

#### D. Aim, Definition and Theory of Change

**Paragraph 13's** explanation of the role of evaluation in helping "measure" results is limited, as measurement could be used to imply a bias toward quantitative measurement. A better wording would recognize the role of evaluation in helping "identify, measure, and understand" results, "including qualitative results," such as those derived from direct inquiry of affected people, communities, and rights-holders and their observations and shared knowledge.

Under **Paragraph 14**, "transparency" should be a function separate and in addition to "accountability," or at the very least, results should be "transparently reported."

**Paragraph 15** provides an opportunity to move beyond a "culture of learning" to acknowledge the expectation of responsiveness to evaluation findings and recommendations. The accountability function is not only judging whether or not the subject of the evaluation is working as planned/expected; there must be accountability to the evaluation itself for processes, policies, etc. to change. CSOs are concerned that a "culture of learning" may be one in which many evaluations are performed and discussed, but not acted upon, which is not enough.

**Paragraph 16** fails to mention that guidance must extend beyond "investment policies" to include implementation practice and oversight for the GCF's impact and contribution to a healthy planet to be realized. For example, beyond exclusively investment policies, any relevant policy that could benefit from the evidence generated through evaluations should be the subject of guidance.

**Paragraph 17** focuses on the production of high quality evaluations, with a definite gap in ensuring the evaluation recommendations are acted upon. The action plans listed later in the policy are not introduced here beyond the mention that the Board "reviews actions resulting from recommendations originating from evaluations," when "review" does not address the identification, implementation, and monitoring of those actions. If evaluations are going to contribute to real-time learning and improvements in processes, policies, and projects, the ways in which they will do so must be delineated.

#### E. Principles of Evaluations

In **Paragraph 18**, which covers the principles to guide all evaluations, CSOs were disappointed to note that the **principle of participation and inclusion** suggested in our May 2018 submission was not taken up in this list of principles. While recognizing that the IEU has responded that trusted, high-quality evidence means consultations with stakeholders and affected communities would have to be included, explicitly recognizing the role of participatory processes under the principles of both credibility and measurability (where mixed methods are introduced) would send a clear signal regarding the expectations and standards of evaluations. Showing the ways in which community/sub-national experiences and evidence can and should be incorporated into evaluations, including community-based monitoring and information systems, would contribute to showing the types of different methods that are credible. It also will inform the ultimate credibility of evaluations. Measurability must also include qualitative measurement.

Related, we feel that the **principle of equality, empowerment and non-discrimination** we suggested in our May 2018 submission should be integrated into the Evaluation Policy as evaluation should be conducted with an understanding of contextual power relations and through a process that seeks to empower women, communities-at-risk, and disadvantaged groups. In this context, the disclosure and accessibility of evaluations to these often disenfranchised and discriminated audiences must be kept in mind, for example by making

evaluations' findings available in a variety of languages and formats, including local languages as applicable for specific project evaluations as well as in a language cleaned up of technical jargon.

While CSOs welcome the **Paragraph 18(b)** on relevance and use and clearly elaborated mandates for follow-up action plans and implementation progress reviews, we are concerned that maximizing “benefit to stakeholders” may not be the aim that should drive the selection of evaluations. While we believe in stakeholder consultation, the failure under this principle to identify different groups of stakeholders seeking different, often competing or in-compatible benefits introduces the possibility that affected people, communities, and rights-holders' preferences may be measured equally (or subsumed) beneath the demands of private sector stakeholders. Moreover, engagement of stakeholders in this process should differentiate between stakeholders seeking to understand current projects that are affecting them and stakeholders seeking future investment opportunities.

Overall, while we understand that this Section of the policy is on core principles and their interpretation and not per se on the evaluative process, the policy, maybe in another section or with reference to where these questions will be tackled, should address the entire question of the choice and timing of evaluations more explicitly, potentially in a new section on the life-cycle of an evaluation.

## **F. Evaluation Criteria**

**Table 2** should not be included as a part of the policy itself, but could be included as an illustrative annex, as this exercise seems incomplete and would not provide a standard or integral guidance at this point for evaluations. We would welcome the opportunity to discuss with other stakeholders the further development of this mapping table, for example as part of consultation processes to develop procedures and guidelines for the implementation of the Evaluation Policy. As currently presented, we feel extremely uncomfortable with the table's inclusion in the draft policy. We have significant concerns about how the table's evaluation criteria are matched to investment criteria and indicators under the results management frameworks criteria, with some examples detailed below.

For instance, the extremely narrow matching of randomly selected indicators with the evaluation criteria for coherence for climate finance delivery is concerning, as the RMF makes co-financing and leverage only an indicator for mitigation, and not for adaptation; thus, with a mandated balanced budget allocation between mitigation and adaptation such a criterion would presumably not apply to a target of 50% of GCF investments. High leverage of additional finance does not necessarily indicate meaningful transformation.

Likewise, the gender equity evaluation criterion in referencing the RMF is only focused for mitigation on mainstreaming into government action, but not acknowledging other existing indicators (for public and private mitigation investments for gender-responsive energy access and transport, for example).

Similarly, replication and scalability do not necessarily indicate a transformation or potential for paradigm shift. It is possible to replicate and scale business-as-usual approaches, or interventions that lock-in high emission infrastructure.

We also urge the IEU not to limit the evaluation criteria to those referenced in its Terms of Reference. Since they were adopted in 2014, areas of concern have been brought to light and recognized in how policies and projects are discussed. If the Evaluation Policy sticks only to the Terms of Reference, it will be constrained. Criteria such as indigenous peoples' rights and cultural responsiveness, in light of the Indigenous Peoples' Policy adopted in 2018, can and should be considered as criteria to complement the original six criteria identified prior to the GCF's full operationalization.

## **G. Categories of Evaluations**

The presentation of the categorization of different types and foci of evaluations in this section seems incomplete, including in how those are presented in **Table 3** and in **Paragraph 22**. For the reader to understand those categories better, additional details need to be provided in the policy itself on the purpose and focus of each evaluation category. Providing some definition in an annex, which is not even cross-referenced in the policy document itself, is not enough. It would also be important to understand which of these evaluation types are aspirational—that is, an articulation of a new proposed area of engagement by the IEU, as it seems to be the case for example with respect to project/program and investment related pre-feasibility assessments.

In **Paragraph 20**, the Evaluation Policy refers to the need for independent mid-term evaluation (MTE) and final evaluations (FE) by the independent evaluation offices of AEs during project/program-implementation of funded activities. This articulation is welcome, as it provides an improvement over language in the existing Monitoring and Accountability Framework (MAF), approved with Decision B.11/10, with only refers to evaluation reports very generally, but does not stipulate that they are conducted as independent evaluations according to the categorization used in the draft Evaluation Policy. It is important to note, though, that not all GCF Accredited Entities do have evaluation functions that are set up as an independent unit. Thus, the Evaluation Policy should indicate how it plans to secure the independence and provide oversight in such cases for MTE and FTE.

Likewise, **Paragraph 21** needs to take note of this. It might be useful to actually map the existence and capacity of independent evaluation units of GCF AEs, as their existence so far has been no requirement for accreditation (meaning in many cases it was sufficient to show that they have a department within the organization that can provide some evaluation function – this would fulfill the category of self-evaluation, but not the higher standard of independent evaluation that the draft Evaluation Policy aspires to meet).

## **H. Institutional Arrangements, Roles and Responsibilities**

This section is clearly a key section of the draft Evaluation Policy. In several instances, we feel the very differentiated roles and responsibilities of various actors were subsumed into a single paragraph. A better delineation into sub-paragraphs could in some cases be helpful, following the recommendation for greater structural clarity introduced in our overarching comments.

**Paragraph 23** introduces a question referenced in our overarching comments, which is how a GCF Board performance review could be conducted in an independent manner by the IEU given the role of the Board's Performance Oversight Committee and its budget oversight functions over the IEU. While reporting to the Board gives the IEU independence generally, this would not be true for an evaluation of Board performance. As such the policy should specify ways to ensure these evaluations are independent, such as through being triggered by and reporting to the COP. This paragraph also contains information we highlighted in the overarching comments as belonging elsewhere, and not in the proposed policy itself, as decisions on Terms of Reference changes should be submitted to the Board as a separate but related action items under an approved decision or in conjunction with an approved Evaluation Policy, but not as part of the Evaluation Policy itself.

**Paragraph 24** raises questions about the composition of the proposed working group and whether various stakeholders, such as members of CSOs and affected communities, would be eligible to participate.

**Paragraph 26** mentions as a key responsibility of the Secretariat under the Evaluation Policy to take the IEU's findings and recommendations from its evaluations and inform its operations and strategies, including by producing both management responses and action plans. This is a positive step as it is critical that evaluations

are used to improve GCF operations. However, too little information is given regarding these plans and how they should be structured. Take a current experience from one of the first IEU evaluations presented to the Board and Secretariat. The responses from the Secretariat on the IEU's independent evaluation of the readiness and preparatory support program included a specific delineation of each finding and the Secretariat's agreement or disagreement, but a management response and action plan should not be an audit, and instead the Secretariat must respond to the recommendations directly, recognizing some of them were addressed indirectly in the review of the findings, in order for the evaluation to be acted upon. The platform for this is the "action plan," introduced in Paragraph 18(b).

There are several key issues here. First, information on this vital step is spread across this document, with Paragraph 18(b) mentioning the action plan will include stakeholder input, Paragraph 26 enshrining it as the responsibility of the Secretariat (though not mentioning the necessity of stakeholder consultation), Paragraph 34 explaining the IEU will annually monitor progress on the action plans, and Paragraph 40(g) introducing the timing. (The Secretariat has a year to produce the plan.) The information on these action plans, as an integral step in ensuring any evaluation is acted upon, should be clearly presented as part of the life-cycle of an evaluation.

Secondly, we urge the IEU to reconsider the timing of the production of the action plan. If the action plan in response to the Readiness evaluation, for example, were not produced for a year, it would mean delay on some key recommendations that can and should be implemented without delay. A lag time of one year may be acceptable for specific activities of a plan that must be budgeted and approved, but action upon an evaluation should not wait an entire year before beginning. Thus, the Evaluation Policy should indicate that a reasonable time for the Secretariat's response would be expected, which should be significantly shorter than one year, in case this is maintained. Alternatively, the response time could be set at six months, with the possibility of a onetime extension of up to one year total time, upon a request in writing that provides a detailed justification for the need to extend the timeframe, in order to create accountability and transparency.

**Paragraph 27** combines many actors within the GCF family under an unwieldy "all of the rest" collection paragraph that does not allow for the necessary differentiation of respective responsibilities of these under the draft Evaluation Policy. Also their roles and responsibilities seem to be listed in a very limited and restricted fashion. The roles of the NDAs and AEs are distinctly different and much broader than just providing data for the IEU's evaluations. They should be delineated in separate paragraphs or at least sub-paragraphs. As an example, it could be useful to have one specifically on the NDAs, which, in addition to listing their obligation to provide data to the IEU in support of its evaluation function, could also develop further what country-ownership means with respect to the capacity of the IEU to go beyond in-country evaluation practice or experience.

The paragraph also makes mention of the role of the independent Technical Advisory Panel (iTAP). The phrasing of the recommendation could be read as an undermining of the independence of the iTAP as its experts are mandated ("should") to "review and consider" the evaluative evidence in their project reviews. Instead the IEU under this Evaluation Policy should offer to share with the iTAP on a rolling basis its evaluative evidence to inform the panel's own technical assessments. In this respect, and talking about other advisory groups and panels, would the Evaluation Policy also have implications for other expert bodies under the GCF, such as the Private Sector Advisory Group (PSAG), the newly formed Indigenous Peoples Advisory Group, or other advisory groups or bodies?

This section also misses an opportunity to elaborate further on the role of civil society organizations beyond being recipients of evaluation material, being asked to disseminate IEU evaluation findings and by providing access to data and materials. A separate (sub-)paragraph on civil society should elaborate on what an active participation of CSOs in the evaluative cycle would look like and how it will be ensured.



## I. Role of the IEU

The section on the role of the IEU under the draft Evaluation policy misses articulated references, for example in a sub-paragraph, on stakeholder engagement, and the need for the IEU to comprehensively include stakeholders in the evaluation cycle in an iterative process, especially CSOs and affected people and communities and rights-holders, including for the development of standards and guidelines to implement the policy as referenced in **Paragraph 29**.

The role of **Paragraph 30** in this section is not clear, as the description of the functions of the head of the IEU is part of its Terms of Reference. Instead, if kept, this paragraph should discuss the specific role of the IEU head in the formulation and implementation of the Evaluation Policy, including as related to outreach and generating acceptance for it both within the GCF and outside.

**Paragraph 31** talks about the work plan for evaluation and sets an average goal of three to five evaluations per year. CSO colleagues are wondering if there should be a set number, especially as evaluations vary substantially in scope, and if the work plan (developed in “consultation” with stakeholders and approved by the Board) will be the only way to plan evaluations. It would be important for the IEU to retain flexibility, even within a three year rolling work plan, to react to a specific issue of concern that might come up over the course of a year. It would be part of the process of independent evaluation to maintain some flexibility to deviate, for example, in the annual updates or to request extra funding if needed.

Regarding **Paragraph 33**, we have some questions about how the sample of five or six projects per year for project evaluations will be selected and composed and who makes the final selection. Is this referring to approved projects only or will this include projects for Board consideration? Will those be funded by the AEs with the IEU providing technical support? A better understanding of this effort, and the IEU’s role in it, would be helpful.

**Paragraphs 36-39** introduce major functions of the IEU that complement conducting evaluations, but it is unclear how and on what timelines these activities will be designed and carried out. The syntheses of evidence and lessons from evaluations, in Paragraph 36, for example, seems like it may be needed when an unexpected finding continues to arise across multiple evaluations, or it could be planned in the workplan after a certain number/type of evaluations are performed. Is the expectation that this activity would be ongoing, as needed, or that specific syntheses will be scoped out in the IEU workplans? Similar questions apply to the ongoing capacity-building functions, including the creation of a community of practice, and the quality assurance activities. Because these are each additional functions of the IEU that support a culture of learning but which are not performing evaluations, we consider whether there may be a better way of presenting and categorizing these evaluation-supporting activities. Further describing the scope, expectations, and procedures of evaluation-supporting activities would be helpful.

Also, the **Paragraph 39** notion of advisory panels for each of the evaluations the IEU conducts could be useful as long as experts in a variety of areas that can enrich and strengthen how institutions implementing climate-related investments conduct evaluations, particularly impact evaluations, are included.

## J. Institutional Requirements for a Robust Evaluation Function

This section provides an important focus on the institutional requirements, including human and budgetary resources, necessary for the implementation of the Evaluation Policy, and civil society colleagues are supportive of its key provisions.

We welcome **Paragraph 40 (a)** elaborating that there are no exceptions to GCF investments, policies and procedures that may be evaluated by IEU (although this articulation might be also part of the discussion of the scope of the policy, in Section III.)

We are also supportive of **Paragraph 40 (b)** linking the IEU's budget to the size of the GCF annual programming envelope; it would be interesting to get a better understanding of the allocation parameters, though, that the IEU might want to set. For example, under the proposed funding percentage of 1%, which under a current GCF annual investment range of USD 3-4 billion would translate into a USD 30 – 40 million annual budget for the IEU, what minimum percentage of IEU budget allocation would need to be devoted to stakeholder engagement, outreach, translation of findings in multiple languages, including local languages, shared learning events, etc.?

Likewise the recommendation in **Paragraph 40 (c)** to reference a decent budget allocation of the overall project/program budget for evaluations in Funded Activity Agreements (FAAs) as a contractual commitment between the GCF and AEs is helpful. Given the needed role of the GCF as an organization that supports the paradigm shift, the importance of sufficient finance in approved GCF projects to be provided for baseline and endline data collection cannot be overstated. Here, the Evaluation Policy of the GCF could presumably also play a crucial role in the wider climate finance architecture in filling existing data and evidence gaps, for example on the gender equity impacts of GCF-supported climate investments (in line with one of the evaluation criteria for the IEU).

We would like to seek more clarity on **Paragraph 40 (d)** regarding the inclusion of impact assessments in the evaluation plans of 30 % of the Fund's existing portfolio of approved projects and programs. Is this goal on a set yearly basis (in line with an expanding portfolio)? Is it to be reached over a number of years (from currently little to 30%)? More clarity is needed. Also in line with some observations in our overarching comments, selection of GCF investments for impact evaluations, for example, should not necessarily be random, but should also be informed by risk categorization, overall financial impact for the GCF (portfolio risk) or financing approaches with related concerns and experiences of stakeholders. For example, impact evaluation might be very differently conducted in direct project investments than in financially intermediated programmatic or fund-of-fund approaches with a variety of individual more or less connected sub-projects. Given the GCF's business model and the resulting effect on the Fund's portfolio that the majority of GCF investments, and those of a higher risk category and larger project/program size, are financially intermediated, the standards for impact assessments that the IEU plans to develop might have to be mindful of the added complexities of financial intermediation approaches and incorporate them for effective impact assessments.

We strongly support **Paragraph 40 (g)** regarding a mandatory official management response from the GCF Secretariat with a commensurate implementation action plan to be presented within a specified time-limit. As elaborated in comments on Section VIII, Paragraph 26, though, we would urge a reconsideration of the current set time-limit to allow the Secretariat to respond with an action within a year. We think it should be significantly shorter. For example, it would be conceivable for the default response time to be six months, with the option for the Secretariat to ask for a one time extension for another six months, upon written request with a detailed justification of why this extension is necessary.

In our view, this section is missing a paragraph elaborating the role of capacity building as an important requirement for robust evaluation function, including by recognizing that the IEU should focus on both technical and financial support of local evaluation processes, for example under participatory monitoring efforts as mandated under the Monitoring and Accountability Framework. Strengthening local evaluative procedures and capacities in GCF investment implementation is an important prerequisite for informed conclusion on the GCF portfolio level and for the GCF's overall impact.

#### K. Disclosure of Evidence, Access and Quality of Information

We welcome **Paragraph 41 (a) and (b)** specifying that all evaluations, as well as management responses, will be made available. In line with the principle of accessibility that we would like to see inform evaluations, for country specific/project specific evaluations, we would also like to see a commitment to translation into local languages and making findings available in various (media) forms.

**Paragraph 41(c)** should ensure the GCF Information Disclosure Policy (IDP) is followed, especially considering the emphasis on proactive disclosure in that policy, while clarifying what the proprietary exemption claimed in the IDP means for releasing evaluations involving the private sector. CSOs are also concerned that any evaluations of the Private Sector Facility might be released only in severely redacted or rudimentary form in line with this possible exemption. The policy should be prescriptive so these questions, also arising in **Paragraph 42(f)**, are answered now and not debated at the point of deciding how an evaluation should be disclosed. It must be clear which evaluations may be subject to limited disclosure, and how that decision will be requested and reviewed. Likewise, **Paragraph 41(e)** should recognize the primacy of the GCF Information Disclosure Policy over the individual AE's respective disclosure policy. The sentence "Those produced by the AEs will be disclosed according to AEs disclosure policies" must be rewritten to ensure confusion, such as that arising last year with the failure of the Secretariat to disclosure Category A projects on the IDP timeline, is avoided. It needs to be clear that evaluations on GCF investments of how GCF policies and procedures are followed, even if undertaken by AEs, should be subject to both the GCF Information Disclosure Policy and the GCF Evaluation Policy.

**Paragraph 42** is correct in stating that all good evaluations require and rely on timely access to information. It is encouraging that all progress, evaluation reports and reviews of individual GCF projects will be made available to the IEU in a timely manner as described in **Paragraph 42 (b)**, and this presumably covers the AEs Annual Performance Reports (APRs) as well, including as the basis for MTE and FE of GCF projects and their evaluation/review by the IEU. Thus, this section should also serve as the encouragement of best practice with respect to the APRs by stipulating in the Evaluation Policy guidelines and procedures that they are not only made available to the IEU but also to the larger public and in particular other GCF partners beyond the GCF Secretariat interested in and capable of conducting self-evaluations on project implementation. Sharing these reports would also support the learning function of the AEs and other stakeholders, and could inform directions for capacity-building and improve the capacity of stakeholders to identify trends, themes, and areas of concern to be presented for consideration as the IEU develops its workplan of upcoming evaluation priorities. Ways for the AEs to consider the evaluation criteria when compiling the APRs could also be outlined in future standards and guidelines.

#### L. Implementation of the Policy

**Paragraph 45** speaks of the development and guidelines to support the implementation of the policy; it should be clearly articulated that these also will be developed with stakeholder input and consultation and should be also regularly reviewed.

We welcome the automatic revision process included in **Paragraph 46**.

#### M. Integrity and Risk

The CSO community does not have any comments on this section.

## **N. Uptake on Evaluative Evidence and Learning**

While this section talks about employment of state of the art methodologies to help everybody else in the GCF to learn evaluation culture, it is silent on how the IEU within its own ranks ensures a culture of continuous learning and adjustment. The IEU is not just a transmitter of knowledge but should see itself as being in a perpetual learning stage itself, including on a new field of evaluative practice, such as the climate investments for paradigm shift in recipient countries toward low-carbon and climate-resilient development pathways that the GCF aims to support.

## **O. Other Issues – Consideration of the Annexes**

We feel several of these Annexes contain relevant information for the understanding of the draft Evaluation Policy that should be integrated in the policy itself (for example the listing explaining the types of evaluations in **Annex V**) in order to provide more clarity on what the actual policy is and what is being proposed for adoption

**Annex III**, along with Table 2, could be an important starting point for the elaboration--with stakeholder participation--of the standards and guidelines for the implementation of the Evaluation Policy. In its current form it can only be considered indicative, not prescriptive, as it needs significant improvements, for example in its criteria elaborating “coherence in climate finance delivery with other multilateral entities”. In the mitigation column, relevance to NDCs and not just the “country’s energy program” would strengthen the questions; likewise, in the adaptation column, relevance to NAPs would be a good inclusion, while the level of co-financing for adaptation measures is not an investment or performance measurement framework indicator for adaptation.

**Annex V**, explaining the different types of evaluation, could be integrated into the policy in a better way: for example, as footnotes explaining references to various types of evaluation in the policy. Providing clarity at the point of reading is critical to fully understand the policy, such as defining impact evaluation in contrast to other evaluation categories proposed.

## **III. Concluding Remarks**

We appreciate the opportunity to provide comments and suggestions on how the GCF draft Evaluation Policy could be further improved and strengthened. Thank you for your consideration of our proposals, which as a jointly elaborated submission underwent various rounds of input and review. This of course takes time, as we are committed as a CSO community to provide input with the necessary due diligence from our side to allow for sufficient internal information sharing, coordination and collaboration, so we had to struggle to comply with the extremely tight deadlines for this submission process.

We fully understand and appreciate that the adoption of an ambitious GCF Evaluation Policy is only the start of the joint learning and capacity building journey for best evaluation practice on which the IEU is embarking with the multiple partners and stakeholders crucial for the successful implementation of the GCF Evaluation Policy. We would encourage the IEU to follow a transparent and comprehensive stakeholder engagement process in developing the guidelines and procedures that will support that implementation. As CSOs active in the GCF, we offer ourselves as partners with expertise and inputs to share from a wide range of backgrounds including sector and evaluation experts in think tanks to not-for-profit climate-project implementing organizations to colleagues able to share the perspectives of affected communities, or indigenous

and traditional knowledge. Bringing these perspectives into the elaboration of operationalization procedures for the Evaluation Policy, once approved by the GCF Board in a revised form, will make for better implementation practice.

We welcome any questions you might have, and we would be happy to discuss this submission further with the IEU.

**Submitted on 18 January 2019 by:**

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This submission was compiled and written by Liane Schalatek and Tara Daniel based on input and contributions provided by the following civil society organizations (CSOs) in support of this submission (in alphabetical order):

- Center for International Environmental Law (CIEL), USA
- Climate Action Network – Uganda, Uganda
- Heinrich Böll Stiftung North America, Germany/USA
- Indigenous Peoples' International Centre for Policy Research and Education (Tebtebba), Philippines
- Women's Environment and Development Organization (WEDO), USA

Finally, the following civil society organizations (CSOs) have signed on in support of this submission (in alphabetical order):

- Asian-Pacific Resource and Research Centre for Women (ARROW), Malaysia
- Both ENDS, the Netherlands
- Campaign for Climate Justice Nepal, Nepal
- Care International
- Centre for 21<sup>st</sup> Century Issues, Nigeria
- Climate Watch, Thailand
- Free the Marginalized Women Advocates (FREMWA), Ghana
- GenderCC Southern Africa-Women For Climate Justice (South Africa)
- Germanwatch, Germany
- Humana People to People, Zimbabwe
- International Work Group for Indigenous Affairs (IWGIA)
- Nepal Federation of Indigenous Nationalities (NEFIN), Nepal
- Prakriti Resources Centre, Nepal
- Women Environmental Programme (WEP), Burkina Faso