



Community of Practice of
Direct Access Entities

Work Programme: Climate Project Development

SIX PAPERS FOCUSING ON CPDAE MEMBERS' LESSONS
LEARNED AND EXPERIENCE SHARING ON VARIOUS TOPICS

PAPER #5: **MONITORING AND EVALUATION**

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Management Guidance and Technical Oversight

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Disclaimer

The views expressed in this report are those of the authors do not necessarily represent those of PROFONANPE, or those of GIZ, or those of GCF, or those of the AF.

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1. Introduction

The Community of Practice for Direct Access Entities (CPDAE) is a network composed of National Implementing Entities (NIEs) to the Adaptation Fund (AF) and Direct Access Entities (DAEs) to the Green Climate Fund (GCF). Membership is open to interested AF NIEs and GCF DAEs and the CPDAE is driven by its members, led by an elected Committee that coordinates its work.

The work package “Climate Project Development” under the CPDAE Readiness project implemented by GIZ under GCF contract aims to build capacities and share knowledge among the CPDAE members to advance their project pipelines and increase the number of quality funding proposals. One of the deliverables of this work package is the development of six papers focusing on CPDAE members’ lessons learned and experience sharing on various topics. This paper at hand focuses on monitoring and evaluation (M&E) of projects funded by the GCF and AF.

2. Green Climate Fund and Adaptation Fund Guidance on M&E

2.1. Green Climate Fund Guidance

The [Monitoring and Accountability Framework \(MAF\)](#)¹ of the GCF for Accredited Entities (AEs) provides the guidelines for project monitoring for AEs. The MAF is built on two components: the monitoring of AE compliance with the accreditation standards of the GCF; and the monitoring and evaluation of individual funded activities (projects or programmes). It is the latter component, namely the M&E of activities funded by the GCF, that is of interest in the present paper.

Project monitoring, as guided by the MAF framework, encompasses the preparation of Annual Performance Reports (APRs) and the execution of both, interim and final evaluation reports, as outlined in Table 1. The APRs, which should be based on monitoring data, serve as one of the key information sources that inform interim and final evaluations.

¹ <https://www.greenclimate.fund/document/monitoring-and-accountability-framework-accredited-entities>

During project/programme implementation period

Required reports

Annual Performance Report (APR)

Contents

Represents the main annual monitoring tool of GCF funded activities to be provided by AEs, as outlined in the Accredited Master Agreement and the Funded Activity Agreement(s) for each approved project/programme.

The APR consists of four main sections, covering: The implementation progress and performance of the funded activity (sections 1 and 2); financial information (Section 3); a report on GCF Environmental and Social Safeguards (ESS) and Gender (Section 4); and annexes and attachments (Sections 5 and 6).

By using the APR financial information template ([Section 3](#))², AEs should submit their financial information reports via GCF's online report submission portal. For other APR sections, AEs should use digitized forms of the APR [general template provided by the GCF](#)³.

Interim evaluation report and final evaluation report for each funded activity

Account for the performance of the funded activity in relation to the criteria of the GCF investment framework, particularly the financial/economic performance within the scope of the project/program's efficiency and effectiveness criterion.

Post-implementation period

The GCF may require the submission of APRs. In certain cases, it may not be economically justified to retain AEs for post-implementation monitoring and the GCF may agree on other mechanisms.

The GCF Secretariat is using the Portfolio Performance Management System (PPMS) as a central platform where AEs submit various funded activities reports, including APRs, and where GCF's reviews of the submitted reports are provided. The PPMS was designed to increase the efficiency of the GCF portfolio M&E functions for funded activities as well as for the Readiness and Preparatory Support Programme. One of the key PPMS functionalities is for AEs to submit reports via digitized forms. Other modules will be added in the near future, such as M&E of Readiness and PPF related activities, reflecting feedback and lessons learned during the initial implementation of the PPMS. AEs can refer to the [User's Guide on the Portfolio Performance Management System for Readiness](#)⁴.

To support internal and external PPMS users in using the PPMS, including AEs for funded activities and National Designated Authorities (NDA) and Delivery Partners for the Readiness Programme, tutorial videos and user guides on GCF's iLearn platform are provided (see: [Training on the GCF's Portfolio Performance Management System - PPMS](#))⁵.

For each funded activity, the MAF requires that AEs present both an interim evaluation report and a final evaluation report, constituting what is collectively referred to as AE-led evaluations. The specific timing for conducting these interim and final evaluations within a given project/programme is established based on the delivery schedule outlined in the

² <https://www.adaptation-fund.org/wp-content/uploads/2015/09/Environmental-Social-Policy-approved-Nov2013.pdf>

³ <https://www.greencimate.fund/document/annual-performance-report-financial-information-section-3>

⁴ https://www.gcfwatch.org/gcfwPDF/APRs/FP069/FP069_APR_2018.pdf

⁵ <https://www.adaptation-fund.org/document/environmental-and-social-policy-approved-in-november-2013/>

Funded Activity Agreement (FAA). The **Evaluation Operational Procedures and Guidelines**⁶ provides for a comprehensive framework for executing such evaluations. These guidelines are based on the GCF Evaluation Policy requirements⁷.

The interim and final evaluations have different purposes as elaborated in Annex 1 and AEs need to apply all GCF evaluation criteria, as presented in Annex 2. A specific example of the use of the evaluation matrix is provided in the GCF operating procedures and guidelines document⁸. This example aims to demonstrate the typical content of an evaluation matrix for a fictitious cross-cutting project (Mass Transit System).

The GCF has introduced a methodology within the "Evaluation Operational Procedures and Guidelines for Accredited Entity-led Evaluations", providing comprehensive insights pertaining to the different phases of project assessments. Presented below is an overview delineating the distinct phases that are part of the evaluation procedure.

Figure 1: **Overview of the GCF evaluation process**



Source: Evaluation Operational Procedures and Guidelines for Accredited Entity-led Evaluations. Version 1 March 2023

The experts commissioned to undertake an interim or final evaluation are encouraged to complete an evaluation matrix, which needs to be included in the inception report. The evaluation matrix sets out how evaluation questions will be used for each evaluation criterion. It breaks down the main questions into sub-questions and maps out how data will be collected and analyzed to answer these questions. The evaluation matrix also serves as an organizing tool to help plan the evaluation, indicating where secondary data will be used and where primary data will need to be collected. The evaluation matrix template suggested by the GCF is presented in Annex 3.

Additional key points to consider include:

- The evaluation policy is revised every five years to ensure its relevance and effectiveness.
- The guidelines define key principles such as credible measurement, independence, and usefulness.
- The M&E policies and guidelines clarify the roles of GCF partners involved in project preparation and implementation.

2.2. Adaptation Fund Guidance

NIEs are required to monitor the progress and outcomes of funded projects. They should establish monitoring systems to track project implementation, assess the achievement of project objectives, and report on the results to the AF. The AF Board requires that all project and programme objectives and indicators be aligned with the Fund's Strategic Results Framework⁹. Each project/programme will embed relevant indicators from the strategic framework into its own results framework. Not all indicators will be applicable to all projects/programmes, but at least one of the core outcome indicators should be embedded. The AF Board approved the reporting process requirements for implementing entities¹⁰ depicted in figure 2.

⁶ <https://www.greenclimate.fund/sites/default/files/document/gcf-evaluation-guidelines.pdf>

⁷ <https://www.greenclimate.fund/document/evaluation-policy-gcf>

⁸ <https://www.greenclimate.fund/document/evaluation-operational-procedures-and-guidelines-accredited-entity-led-evaluations>

⁹ <https://www.adaptation-fund.org/wp-content/uploads/2019/10/Adaptation-Fund-Strategic-Results-Framework-Amended-in-March-2019.pdf>

¹⁰ <https://www.adaptation-fund.org/wp-content/uploads/2021/07/Presentation2.pdf>

Figure 2: **AF reporting process requirements**



Source: Presentation "Project/ Programme Monitoring and Evaluation during implementation", 29 June, 2021.

For monitoring, the AF uses a guide entitled [process, structure and content of the project performance report](#)¹¹. For evaluation, the AF Board approved the [Guidelines for project/programme final evaluations](#)¹². These guidelines describe how final evaluations should be conducted for all projects/programmes funded by the AF.

3. Experience of CPDAE members

In the interviews conducted with around 20 CPDAE members from January to March 2023, a specific question was "What is your organization's experience with project M&E?". Sub-questions were (i) "Which positive experiences and success can you point out?"; (ii) "What are the main problems and obstacles of your institution in this area?"; and (iii) "What should be covered in this Paper?".

3.1. Positive experiences and common barriers

The following table summarizes relevant positive experiences, major obstacles, and expectations of different CPDAE members regarding M&E. The responses provided by various members have revealed that some have already established an internal M&E framework that incorporates the requirements of both the GCF and the AF. However, several members have highlighted the challenges they encounter, primarily operational in nature, relating to data collection and resource mobilization. The absence of concrete case study document examples for conducting M&E has also been noted. As a result, CPDAE members would like the GCF and the AF to provide them with the best practices in M&E developed in other countries.

¹¹ <https://www.adaptation-fund.org/wp-content/uploads/2015/01/ilovepdf.com-1.pdf>

¹² https://www.adaptation-fund.org/wp-content/uploads/2015/01/Guidelines%20for%20Proj_Prog%20Final%20Evaluations%20final%20compressed.pdf

Table 2: **Positive experiences and barriers shared by CPDAE members regarding M&E**

Positive Experiences	Barriers
<ul style="list-style-type: none"> ● Implementation of an internal control and M&E framework: Several CPDAE members have achieved the adoption and implementation of a framework that requires mid-term and end-of-project evaluations across all undertaken projects combined with an internal audit system. ● Hiring a full-time expert responsible for M&E: An agricultural bank has successfully staffed a specialized M&E role filled by an experienced agricultural and forestry engineer. ● Enthusiastic Engagement: Both executing entities and beneficiaries actively partake in monitoring and measurements activities by utilizing tablet or cell phone reports, contributing to a constructive and encouraging experience. 	<ul style="list-style-type: none"> ● M&E is seen by many CPDAE members as another area where capacities need to be strengthened. ● The technical field data required to inform the indicators must be collected through surveys, and a digital system must be used. Challenges arise when assembling internal teams for deployment across the diverse countries or regions where projects are executed. This may impair the adherence to stipulated deadlines crucial for M&E procedures. ● There are too little examples of monitoring and/or evaluation reports or best practices for inspiration, including for APR reporting. ● There is a lack of templates for project indicators that can be used during project design. ● Executing entities may not have the time for follow-up. This may complicate the effective implementation of M&E plans.

3.2. Good practice tips and suggestions

Good practice tips for M&E of projects funded by the AF and the GCF are highlighted in the following table.

Table 3: **Good practice tips for M&E of projects funded by AF and GCF**

<p>Regular monitoring</p> <p>Implement regular monitoring of funded projects to track progress, identify challenges, and ensure timely implementation¹³. This includes monitoring project activities, outputs, outcomes, and impacts.</p>
<p>Participatory approach</p> <p>Engage stakeholders, including civil society organizations (CSOs) and local communities, in the monitoring and evaluation process¹⁴. This promotes transparency, accountability, and inclusivity in decision-making and ensures that the perspectives and needs of affected communities are considered.</p>
<p>Clear indicators and targets</p> <p>Establish clear and measurable indicators and targets at the outset of the project¹⁵. This enables effective monitoring and evaluation of project performance and progress towards desired outcomes.</p>

¹³ <https://cfas.info/en/publication/participatory-monitoring-evaluation-green-climate-fund-and-how-civil-society-can-engage> and <https://climatefundsupdate.org/the-funds/adaptation-fund/>

¹⁴ <https://www.germanwatch.org/sites/default/files/Participatory%20Monitoring%20and%20Evaluation%20in%20the%20Green%20Climate%20Fund%20-%20and%20How%20Civil%20Society%20Can%20Engage%20-%20Briefing%20paper%20-%20Briefing-paper-GCF-ME.pdf>

¹⁵ <https://ieu.greenclimate.fund/evaluations/policy>

Data collection and analysis

Collect relevant data and information to assess project performance and outcomes¹⁶. Use both quantitative and qualitative data, including baseline data, to track changes and measure project impacts.

Evaluation framework

Develop an evaluation framework that aligns with the evaluation policies and guidelines of the respective funds¹⁷. This framework should outline the evaluation objectives, methodology, and reporting requirements.

Learning and knowledge sharing

Foster a culture of learning and knowledge sharing within the implementing entities and among project stakeholders. Regularly disseminate evaluation findings, lessons learned, and best practices to improve future project design and implementation.

Compliance with policies and guidelines

Ensure compliance with policies, guidelines, and reporting requirements of the respective funds. This includes adhering to environmental and social safeguards, gender considerations, and other relevant criteria.

Engagement with independent evaluation unit

Collaborate with the Independent Evaluation Units of the respective funds to seek guidance, support, and feedback on monitoring and evaluation processes.

By following these good practice tips, NIEs and DAEs can enhance the M&E of projects funded by the AF and the GCF, leading to improved project outcomes and increased accountability.

4. Conclusion

DAEs and the NIEs are advised to keep up to date with the latest guidelines governing the M&E of GCF and/or AF projects/programs. Notably, these guidelines undergo a continuous cycle of refinement and enhancement, hence it is useful to check the GCF and AF websites every few weeks for updates and news.

However, a pivotal facet pertains to the meticulous development of a comprehensive blueprint tailored to address the distinct requirements stipulated by each Fund. It is imperative that this blueprint meticulously delineates the required stages encompassing monitoring, data aggregation, and reporting. Pertinently, these stages must harmonize with the required timelines and frequencies.

Moreover, the integration of the respective Fund's prerequisites within the framework of internal project management processes assumes a paramount role. NIEs and DAEs must ensure the seamless integration of monitoring and reporting components into the entire lifecycle of each project, commencing from its conceptualization and design, culminating in its ultimate completion and closure.

Lastly, it is imperative to maintain scrupulous records including all facets of monitoring and reporting. Detailed documentation encapsulating undertaken steps, collated data, conducted analyses, and resultant outcomes serves as a pivotal enabler, simplifying the preparatory phase of report compilation whilst concurrently facilitating subsequent verification processes.

¹⁶ Idem

¹⁷ <https://www.greenclimate.fund/about/policies/results-monitoring-evaluation> ↗

ANNEX 1: Comparing GCF Interim with Final Evaluations¹⁸

	Interim evaluation	Final evaluation
Timing	To be performed and submitted at the midway point of project implementation or as may be specified in the FAA.	To be performed near (3-6 months) the end of a project, or after project completion depending on the agreements contained in the FAA (usually within 3 months of submitting the final APR).
Focus	Formative – Get a good picture of current implementation performance and developing evidence that can be fed back into the project to help steer its ongoing implementation towards the desired results. These can be used for improvement.	Summative – Assess the overall performance of the project to better understand the results and why they came about.
Purpose	<p>Develop understanding of likelihood that the project is on track to achieve its intended results or if there are corrective measures that should be considered to inform and to strengthen adaptive management.</p> <p>Based on the corrective measures required and where needed, inform restructuring / FAA amendment process by providing a solid evidence base for the changes to the design and/or results.</p> <p>Learning for improvement of implementation and management through unbiased, systematic feedback to identify lessons learned – from both successes and failures.</p> <p>Create a platform for dialogue amongst key stakeholders.</p>	<p>Assess the outputs, adaptation and/or mitigation outcomes and paradigm shift contributions (and enabling environment) achieved by the project against the intended results set out in the FAA at the end of the implementation period.</p> <p>To develop a strong understanding of overall impact, effectiveness, sustainability, and replicability.</p> <p>Generate insights that explain why and how the intervention results have been achieved or not.</p> <p>Learning for future programming through unbiased systematic feedback to identify lessons learned – from both successes and failures – that can be fed back into the GCF portfolio</p>

¹⁸ Evaluation Operational Procedures and Guidelines for Accredited Entity-led Evaluations, version1, April 2023: <https://www.greenclimate.fund/document/evaluation-operational-procedures-and-guidelines-accredited-entity-led-evaluations> ↗

ANNEX 2: Definitions of GCF evaluation criteria and indicative importance in interim and final evaluations¹⁹

GCF evaluation criteria	Definition
Coherence in climate finance delivery with other multilateral entities	<p>The criteria are, as defined by OECD-DAC²⁰:</p> <ul style="list-style-type: none"> • Relevance – the extent to which the project/programme objectives and design respond to beneficiaries', global, country, and partners'/institutions' needs, policies, and priorities, and continue to do so if circumstances change. For GCF-funded projects/programmes, it is important to assess the responsiveness of a project/programme to climate-related needs, and how direct and indirect beneficiaries were identified and targeted are important elements under this criterion. • Effectiveness – the extent to which the project/programme achieved, or is expected to achieve, its objectives, and its results, including any differential results across groups. • Efficiency – the extent to which the project delivers or is likely to deliver results in an economic and timely way. For GCF projects/programmes, the degree to which resources have been optimized to maximize the impact of resources spent on climate adaptation and mitigation results. • Impact – the extent to which the project has generated or is expected to generate significant, positive or negative, intended or unintended, higher-level effects. • Sustainability – the extent to which the net benefits of the project/programme continue or are likely to continue.
Coherence in climate finance delivery with other multilateral entities	<ul style="list-style-type: none"> • The extent to which the project/programme (i) is compatible with and/or complements (and not duplicate) other climate finance funding²¹ and (ii) avoids creating parallel systems through creating synergies in funding mechanisms and interventions.
Gender equity	<ul style="list-style-type: none"> • The extent to which gender action plans on project/programme level have been implemented and its activities and outcomes are monitored as well as the extent to which key stakeholders have been consulted and their inputs were considered and used to inform project design and implementation. • The extent to which the project/programme has addressed vulnerability to ensure equal participation of women, men, children and youth, indigenous people, people with disability and other marginalized groups as well as benefits from the GCF's investments. • The degree to which the project/programme demonstrated understanding on how the impacts of climate change are differentiated by gender and other markers of difference, the role that behavioural changes, gender and other markers of difference can play in delivering a paradigm shift, and the role that women, indigenous people and other groups play in responding to climate change challenges both as agents but also for accountability and decision-making.
Country ownership of projects and programmers	<ul style="list-style-type: none"> • The extent to which the project is consistent with the existing national climate strategy, policies, capacity to deliver by implementing entities, intermediaries or executing entities, and engagement with civil society organizations and other relevant stakeholders. This criterion is strongly related to the Relevance criterion.

¹⁹ Evaluation Operational Procedures and Guidelines for Accredited Entity-led Evaluations, version1, March 2023

²⁰ Paragraph 17, GCF Evaluation Policy; <https://ieu.greenclimate.fund/sites/default/files/page/evaluation-policy-final.pdf>

²¹ Local, national or transnational financing – drawn from public, private and alternative sources of financing – that seeks to support mitigation and adaptation actions that will address climate change (see Introduction to Climate Finance | UNFCCC).

<p>Innovativeness in result areas</p>	<ul style="list-style-type: none"> • The extent to which the project/programme creates opportunities for targeting innovative solutions, new market segments, developing or adopting new technologies, business models, modal shifts and/or processes that are appropriate to a given context and which can bring about a paradigm shift²².
<p>Replication and scalability</p>	<ul style="list-style-type: none"> • The extent to which the activities are replicated in other countries or other locations within the same country. • The extent to which the project/programme has expanded its scale and impact without increasing the total costs of implementation.
<p>Unexpected results, both positive and negative</p>	<ul style="list-style-type: none"> • The degree to which unforeseen and unintended results, both positive and negative, which were not anticipated as part of the planning neither articulated in the original Theory of Change, were captured and from which relevant lessons were identified and utilized to adaptively manage the project/programme and improve project/programme implementation and decision-making.

²² The rubric developed by the GCF's Independent Evaluation Unit for the [Independent Evaluation of the Green Climate Fund's Investments in Small Island Developing States](#) could provide further guidance to evaluators when assessing this criterion. The rubric dimensions (pp. 72-73) contain the following: (i) Type of innovation (e.g., technology, policy, business model); (ii) Scale of innovation (e.g., central or peripheral to the project design); (iii) Context of innovation (e.g., new to the world or the country); (iv) Intensity (e.g., incremental, radical or instrumental innovation).

ANNEX 3: Evaluation Matrix SUGGESTED TEMPLATE²³

Evaluation criteria	Evaluation question	Sub-question	Indicator	Data Source	Data Source and collection methods	Analytical procedure	Strength of evidence
See Section 2.3 for the definition of the GCF evaluation criteria²⁴	Ensure each evaluation question is specific.	For each evaluation question, specify a limited and focused number of sub-questions that will be essential to answer the evaluation question. This is a good way of breaking down a question to manageable parts for a more systematic way of addressing the question.	The indicators and measures determine how performance or progress is judged for each sub-question. Indicators should be realistic in terms of data collection within the scope of the evaluation. Measures/ indicators should be clear and measurable (either qualitatively or quantitatively) and correspond to the evaluation question or sub-question.	Identify sources of the required information, such as databases, studies, subject area experts, programme officials, models, etc.	Identify the method(s) to be used to collect the required information or data. Examples include case studies, focus groups, perception survey, beneficiary survey, benchmarking to best practices, use of existing databases, etc.	Documents how all the collected data is analysed to ensure they can answer the evaluation questions. This can include regression analysis, statistics, qualitative analysis. Analytical methods should be appropriate to use for the given data that is collected.	Based on the available data and their quality, indicate the strength of evidence base for each evaluation question (i.e., strong, fair, weak). Elaborate the limitations, if applicable.
Relevance							
Effectiveness							
Efficiency							
Impact							
Sustainability							
Coherence in climate finance delivery with other multilateral entities							
Gender equity							
Country ownership of projects and programmes							
Innovativeness in result areas							
Replication							
Scalability							
Unexpected results, both positive negative							

²³ Evaluation Operational Procedures and Guidelines for Accredited Entity-led Evaluations, version 1, March 2023: <https://www.greenclimate.fund/document/evaluation-operational-procedures-and-guidelines-accredited-entity-led-evaluations>

²⁴ <https://www.greenclimate.fund/sites/default/files/document/gcf-evaluation-guidelines.pdf>