

Annex IX: Initial approach to the monitoring and evaluation policy

I. Introduction

1. This section outlines an initial approach to the monitoring and evaluation (M&E) policy that will be undertaken by the Fund. M&E will be based on results-based management principles and standards.¹ The main objectives of the M&E policy are to:

(a) Sustain the continuous learning process of the Fund. M&E will provide feedback and lessons to improve project/programme selection, design, implementation, efficiency and performance; and

(b) Promote the accountability of the Fund for results.

2. The M&E policy will serve the following purposes:

(a) Assess the relevance, efficiency, impact, sustainability and effectiveness of the Fund-supported projects/programmes;

(b) Track indicators and performance against intended results so that corrective measures can be undertaken in due time;

(c) Measure performance and results that could ensure, where appropriate, that results-based payments are employed in accordance with any further guidance from the Board;

(d) Identify the underlying conditions and drivers enabling successful, sustained and scaled-up projects/programmes and lessons learned through implementation;

(e) Provide information on project/programme risk factors and risk management strategies; and

(f) Develop the capacities of the IEs, intermediaries and relevant stakeholders in measuring, monitoring and reporting on the agreed results at the project/programme level.

3. The M&E policy shall define the concepts and role of M&E within the Fund, and it will define the roles and responsibilities of its IEs, intermediaries, EEs, national designated authorities (NDAs), and other relevant stakeholders and partners in participatory monitoring and other aspects of M&E. The policy will further elaborate the role and responsibilities between the Secretariat and the Independent Evaluation Unit (IEU). The IEU's functions have been defined in IEU terms of reference (ToR) adopted at the sixth Board meeting (see document GCF/B.06/18, Annex III).

4. The Secretariat will have the primary responsibility in developing the monitoring policy, incorporating the lessons learned from the Fund's portfolio monitoring, and reviewing the M&E requirements in the Fund-supported project and programme proposals. The IEU will be responsible for defining the evaluation policy and, together with the Secretariat, contributing to the Fund's knowledge management process.

¹ Results-based management is defined as "a broad management strategy aimed at achieving improved performance and demonstrable results" UNEG, 'The Role of Evaluation in Results-based Management', 21 August 2007. Available at: http://www.unevaluation.org/papersandpubs/documentdetail.jsp?doc_id=87.

II. Monitoring and evaluation

2.1 Monitoring

5. Monitoring is defined as a continuous process that collects and analyses data and information from the Fund-supported projects/programmes for the purpose of identifying progress on activities and expected results.
6. Monitoring will help provide the Fund with information regarding the extent to which a supported project or programme has achieved the agreed results and objectives. The information can be used for decision-making and taking corrective actions (adaptive management). It can also be fed into evaluations and overarching learning processes.
7. Monitoring will be carried out at all levels, from project/programme to portfolio level. The Secretariat will further elaborate monitoring guidelines, which will cover:
 - (a) Definitions for relevant terminology;
 - (b) Principles, standards, criteria and minimum requirements for results-oriented monitoring following the guidance of good practices adopted by other international organizations and funds;
 - (c) Identification of the methodologies for the indicators agreed in the mitigation and adaptation PMFs;
 - (d) Design of the multi-level monitoring and reporting system identifying the flow of information from projects/programmes level to outcome, impact and paradigm-shift levels, including reporting responsibilities and how, where applicable, indicators will be aggregated;
8. The monitoring guidelines are intended to be a living document that will be updated as lessons learned and feedback from the implementation of projects/programmes becomes available.
9. The Secretariat will provide an online information management system that will support the overall capacity of the Fund and its knowledge management needs, including indicator tracking.
10. The Secretariat will provide, as needed, support for building the monitoring capacities of IEs, intermediaries and relevant partners involved in the implementation of Fund-supported projects/programmes. The Secretariat, as needed, can provide back-up services for conducting internal process evaluations to inform ongoing projects/programmes on corrective measures and areas that need attention.
11. The Secretariat will ensure that the lessons learned from the monitoring practice will feed into the organization's knowledge management for improved internal management performances, information/knowledge-sharing and continuous learning. This will support the design of future projects/programmes and further improvements to the results management framework.
12. The Secretariat will seek to explore opportunities to enhance and promote learning in the M&E process. This will support countries in enhancing their own efforts. Formal and informal learning is a key part of M&E and should be encouraged, including through creating the necessarily enabling environment, drawing from different sources of knowledge, establishing respective communication channels and incentives, building in and budgeting for learning, and involving relevant stakeholders including communities and civil society.

13. The Secretariat will collaborate with relevant expert groups under the UNFCCC to ensure coherence with and effectiveness in the monitoring, reporting, learning and evaluation of multiple initiatives under the Convention.

2.2 Evaluation

14. Evaluation is defined as a systematic and impartial assessment of projects/programmes. Evaluations have a range of objectives, and for the Fund, they will focus on determining the relevance, efficiency, effectiveness and sustainability of its supported projects and programmes. Evaluation will draw upon the Fund's monitoring and may involve separate data collection and analysis for each specific evaluation case.

15. The IEU will be responsible for developing and updating the evaluation policy of the Fund, as indicated in its ToR. Although each evaluation will have a fit-for-purpose design intended to serve specific objectives; an overarching anticipated use for evaluations is to identify findings and lessons learned that can inform project/programme design and implementation to improve the quality of Fund programming and enhance results.

16. The types of evaluation, as envisioned in the IEU's ToR, include:

- (a) Country-portfolio evaluations;
- (b) Thematic evaluations of the different types of activities that the Fund will finance;
- (c) Evaluations of project-based and programmatic approaches in accordance with climate change strategies and plans; and
- (d) Independent assessment of the overall performance of the Fund commissioned by the Conference of Parties.

17. Additional uses of independent evaluation can be determined on a case-by-case basis. For example, formative (mid-course) evaluations can inform ongoing implementation and processes of a particular project; ex-post results-oriented evaluations would inform whether the results are in line with project goals, and portfolio-level evaluations would inform investment strategies.