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GCF/B.16/18
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Interim work plan and interim budget of the Independent Evaluation Unit

Summary

This document summarizes key elements of the interim work plan and interim budget of the Independent Evaluation Unit (IEU). There are four main elements of the work plan for March to June 2017: (1) preparing the outline of the independent evaluation policy; (2) establishing the IEU; (3) building and strengthening evaluation capacity; and (4) identifying key elements of IEU's annual and rolling three-year work plan.

The Board is requested to consider and approve a budget of USD 370,930 for this four-month period.

I. Introduction

1.1 Background

1. The Independent Evaluation Unit (IEU) is mandated in paragraph 60 of the Governing Instrument for the GCF: "... the Board will establish an operationally independent evaluation unit as part of the core structure of the Fund. The head of the unit will be selected by, and will report to, the Board. The frequency and types of evaluation to be conducted will be specified by the unit in agreement with the Board".

2. The Board, at its sixth meeting adopted the terms of reference of the IEU¹ in which the following objectives are envisioned:

- (a) Informing decision-making by the Board and identifying and disseminating lessons learned, contributing to guiding the GCF and stakeholders as a learning institution, providing strategic guidance;
- (b) Conducting periodic independent evaluations of GCF performance to objectively assess the results of the GCF and the effectiveness and efficiency of its activities; and
- (c) Providing evaluation reports to the Conference of the Parties to the United Nations Framework Convention on Climate Change (UNFCCC) and the Paris Agreement for purposes of periodic reviews of the Financial Mechanism.²

3. The IEU is mandated to be operationally independent of the Secretariat. The work plan and budget of the IEU will be developed with the advice of the Board and are subject to review and approval by the Board.

4. By the sixteenth meeting of the Board, the Head of the IEU will have been in office for four weeks. This document seeks approval for an interim work plan of four months duration, so that the unit can start operating immediately. During this period, the IEU will engage with members of the Board and relevant Secretariat staff and plan for the capacity and resources necessary for the rest of 2017.

5. The immediate IEU work plan (March to June 2017) has the following elements as per relevant guidance provided by the Board.³ Several activities will continue after July 2017 including the following:

- (a) Outlining the Independent evaluation policy;
- (b) Establishing the IEU;
- (c) Building and strengthening evaluation capacity; and
- (d) Outlining the key elements of IEU's annual and rolling three-year work plan.

6. At the seventeenth meeting of the Board (B.17), the IEU will present a complete work plan and budget for 2017. These will include an outline of the Independent evaluation policy and a report on progress made towards setting up the IEU.

¹ Annex III to decision B.06/09 (annex III to document GCF/B.06/18).

² The Conference of Parties to the UNFCCC provides the following guidance on the function of the IEU: "The reports of the GCF should include any reports of the independent evaluation unit, including for the purposes of the periodic reviews of the financial mechanism of the Convention" (UNFCCC decision 5/CP.19, annex, paragraph 20).

³ B.13/32/Rev.01, page 48.

II. Responsibilities of the Independent Evaluation Unit

7. The IEU has a mandate for both discharging an accountability function and supporting a learning function. These are central to the GCF being a learning organization as laid out in its Governing Instrument and its initial strategic plan.⁴ The responsibilities of the IEU are as follows:

- (a) **Evaluation:** the IEU will undertake independent overall, portfolio, country, thematic, programme evaluations that inform GCF strategic result areas.⁵ In key cases, it will also support and undertake project evaluations. The IEU will use relevant and innovative methods and an independent peer-review mechanism that will provide guidance on independent evaluations. The vision, criteria and guidelines for these will be laid out in the Independent evaluation policy. The IEU is also mandated to independently peer review and attest the quality of GCF self-evaluation;⁶
- (b) **Advisory and capacity support:** the IEU is required to advise the Board by synthesizing findings and lessons learned from its evaluations. These findings and lessons learned are expected to also inform the Executive Director of the Secretariat and other GCF stakeholders.⁷ The IEU will engage closely with the independent evaluation units of intermediaries and implementing entities of the GCF, including national designated authorities (NDAs) and accredited entities (AEs). It will provide support to catalyse learning and build and strengthen NDA and AE evaluation capacity. It will also provide guidelines and support evaluation-related research that helps produce rigorous evidence in GCF result areas;
- (c) **Learning:** the IEU will support the GCF in its learning function by ensuring that recommendations from independent evaluations are incorporated into the Secretariat's functioning and processes. This includes recommending possible improvements to the GCF performance indicators and its initial results framework, after accounting for international experience and the results of evaluation;⁸
- (d) **Engagement:** the IEU will actively participate in relevant evaluation networks in order to ensure that it is at the frontier of evaluation practice. The IEU will involve its own staff and staff from NDAs and AEs in evaluations wherever feasible and appropriate.⁹ In addition, the IEU will support knowledge hubs in the area of low-emission and climate-resilient pathways.¹⁰

III. Main elements of the Independent Evaluation Unit's work plan (March to June 2017)

8. There are four key elements of the IEU work plan for this four-month period as discussed in paragraph 5 above. These are discussed briefly here.

3.1 Outlining an independent evaluation policy

⁴ Annex I to decision B.12/20.

⁵ Annex I to decision GCF/B.05/03.

⁶ Decisions B.12/12 and 20.

⁷ Annex III to decision B.06/09

⁸ Annex III to decision B.06/09

⁹ See note 7 above.

¹⁰ Annex I to decision GCF/B.05/03.

9. The Governing Instrument specifies that the IEU will formulate an Independent evaluation policy for the GCF and that this will be regularly updated. The IEU will start formulating this policy immediately. An important component of formulating an independent evaluation policy will be to articulate the overall theory of change of the GCF. This will ensure that the Independent evaluation policy is relevant to the GCF.

10. The IEU recognizes the two following important pillars of independent evaluations:

- (a) To deliver rigorous, evidence-based evaluations that inform key result areas of the GCF. These include identifying and measuring the transformative impact of GCF activities and the extent to which the GCF has contributed to catalysing a paradigm shift towards low-emission, climate-resilient pathways. Independent evaluations will aim to measure how much the GCF has contributed to this overall shift, for whom and how and over what time frame, and to assess if this could have been done in a more efficient way; and
- (b) To complement the critical learning attribute of the GCF. In this, the IEU will support activities to build evaluation capacity, synthesize evaluation-related evidence and support the uptake of key learning.

11. To the extent that independent evaluations can reliably be informed by GCF data systems and information systems, these will be used. The IEU will work with the relevant divisions of the Secretariat to ensure that evaluations have the requisite data and information to inform key evaluation criteria at the project, programme and portfolio levels. The IEU will also leverage data from other sources and from advances in measurement and complexity science in order to inform independent evaluations.¹¹ The IEU will commission and support selected project and programme impact evaluations.

12. The IEU will support activities that help to inform inferences drawn from evaluations. Systematic reviews and engagement in reviews of related agencies will help to benchmark GCF programmes against other similar programmes. These activities will inform the extent to which the GCF is maximizing its potential for a paradigm shift.

13. An important part of the IEU work plan will be to assist in the uptake of lessons learned. Evaluation reports themselves are not sufficient to ensure learning. The IEU will review best practice with regard to what fosters learning. The IEU will formulate a synthesis, learning and uptake plan as part of the Independent evaluation policy.

14. The IEU will consult closely with organizations that are related to the GCF; refer to the United Nations Evaluation Group standards and norms and consult with the Evaluation Coordinating Group of multilateral development banks.¹² It will also engage with other similar organizations so that the GCF Independent evaluation policy will reflect best practice in the discipline.¹³

¹¹ For instance, in many cases, baselines to measure GCF contributions and impacts, and information on costs and cost-effectiveness will need to be retrospectively constructed, especially at the subnational, national and regional levels. This will especially apply in result areas where global evidence on effectiveness, efficiency, impact, sustainability and cost-effectiveness is sparse.

¹² These include organizations such as Climate Investment Funds, Investment Climate Facility for Africa, the Global Environment Facility, Development Impact Evaluation Initiative, Independent Evaluation Group of the World Bank, the Evaluation Cooperation Group, the Consortium International Agricultural Research Centres and other thematic and regional organizations that are engaged in similar operations and in evaluations that are relevant to GCF result areas.

¹³ Furthermore, the world has moved critically over the last 10 years in terms of the methods, data systems and science of engagement and learning. The IEU will engage closely with other organizations that can help to leverage these methods for learning and inferences. It will also engage with other similar organizations so that the GCF Independent evaluation policy will reflect best practice in the discipline (e.g. the Behavioural Insights Unit, the

15. The IEU will be supported by two consultants in formulating the Independent evaluation policy.

3.2 Establishing the Independent Evaluation Unit

16. Establishing the IEU will involve several steps. These are briefly discussed in this section.

17. The IEU will prepare terms of reference for five staff positions. At B.17, it will indicate the overall annual budget for setting up the unit and for undertaking independent evaluations. These will include but are not restricted to country portfolios, thematic evaluations, process and key programme and project evaluations, while ensuring that learning is central to its mission.

18. An organizational chart of the IEU is presented in annex IV.

19. The IEU will facilitate discussions with the Secretariat and other GCF stakeholders, including members of the Board, Secretariat staff, the independent Technical Advisory Panel, the Evaluation Cooperation Group and selected accredited entities.

20. The Head of the IEU will be supported and advised by a designated Board committee. In addition, he or she will also be supported by an external advisory group that will comprise leaders in the field of evaluation and who will peer-review the independent evaluations undertaken by the IEU.

3.3 Building and strengthening evaluation capacity

21. The quality of IEU evaluations is intimately dependent on the information systems of the projects and programmes themselves as well as those of the independent entities. Recognizing this, one of the functions of the IEU will be to build and support human, systemic and institutional capacities of the independent evaluation arms of the entities that the GCF works with.

22. The IEU will help to build and strengthen evaluation capacities of subnational, national and regional entities to enable the evaluation of their portfolio.¹⁴

3.4 Outlining key elements of a rolling three-year work plan for the Independent Evaluation Unit

23. Keeping in mind that the Head of the IEU has been in place for a short time, there has been limited opportunity for consultation with Secretariat staff. A review of previous documents and limited conversations with selected staff indicate that it will be important to include the following independent evaluations in the IEU three-year rolling work plan. The dates and timelines for these will be presented at B.17:

(a) Report to the Conference of Parties to the UNFCCC on the performance of the GCF as requested;¹⁵

Campbell Collaboration and the Global Pulse labs that are special initiatives of the Secretary-General of the United Nations.

¹⁴ Decision B.06/09, annex III, paragraph 20.

¹⁵ Annex III to decision B.06/09

- (b) Attesting to the quality of GCF self-evaluation conducted by the Secretariat;¹⁶
- (c) Updating the GCF core operational priorities as defined in its strategic plan and its work programme;¹⁷
- (d) Leading thematic evaluations in the GCF result areas, including of those that support and enable enhanced actions on climate change and mitigation;
- (e) Supporting and commissioning project and programme evaluations as may be relevant to the GCF result areas;
- (f) Reviewing the implementation of the operational guidelines and the effectiveness of the Project Preparation Facility in order to draw lessons no later than the end of the Initial Resource Mobilization period;¹⁸
- (g) Providing inputs into the results-based framework of the GCF;¹⁹
- (h) Participating and supporting evaluation networks to ensure that the IEU is at the frontier of evaluation practice; and
- (i) Establishing and supporting close relationships with the independent evaluation units of intermediaries and implementing entities of the GCF so that a collaboration is pursued whenever feasible and appropriate.²⁰

IV. Budget for the Independent Evaluation Unit (March to June 2017)

- 24. Key elements of the interim budget are as follows:
 - (a) Staff: the budget item covers the salaries of staff, including the Head of the IEU and a team assistant;
 - (b) Consultants: four consultants will be brought on board very quickly in order to work with the Head of the IEU. Of these, two long-term consultants will support the Head of IEU in formulating the Independent evaluation policy. Two short-term consultants will support the Head of the IEU in getting the IEU up and running and in simultaneously helping to draft the three-year rolling work plan;
 - (c) Travel: most travel will be undertaken to engage closely with other evaluation offices and with organizations that are working at the frontier of evaluation methods and practice; and
 - (d) Engaging GCF stakeholders in order to build and support evaluation capacity. This includes engagement and support for the capacity of independent and related entities at the regional, national and local levels. The IEU will also support climate evaluation science-related activities.
- 25. Information to support this document is contained in the following annexes:
 - (a) Annex I: a draft decision for the Board's consideration;

¹⁶ Annex III to decision B.06/09

¹⁷ Annex I to decision B.12/20.

¹⁸ Decision B.13/21.

¹⁹ Annex III to decision B.06/09

²⁰ The IEU has been approached by the Climate Investment Funds as well as Development Impact Evaluation Initiative unit of the World Bank in this regard.

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- (b) Annex II: a budget for key activities in the interim period (March to June 2017);
 - (c) Annex III: a timeline for key activities; and
 - (d) Annex IV: an organizational chart of the IEU.

Annex I: Draft decision of the Board

The Board having considered document GCF/B.16/18 titled “Interim work plan and interim budget of the Independent Evaluation Unit”:

- (a) Approves the work plan and budget of the Independent Evaluation Unit for March to June, 2017 as contained in document GCF/B.16/19 and Annex II (total budgeted amount of USD 370,930), respectively;
- (b) Authorizes the Head of the Independent Evaluation Unit to undertake consultations as required to present a complete work plan and budget for 2017 at the seventeenth meeting of the Board; and
- (c) Also authorizes the Head of the Independent Evaluation Unit to undertake consultations to inform the outline of the Independent evaluation policy and undertake processes to set up the Independent Evaluation Unit.



Annex II: Budget for the Independent Evaluation Unit

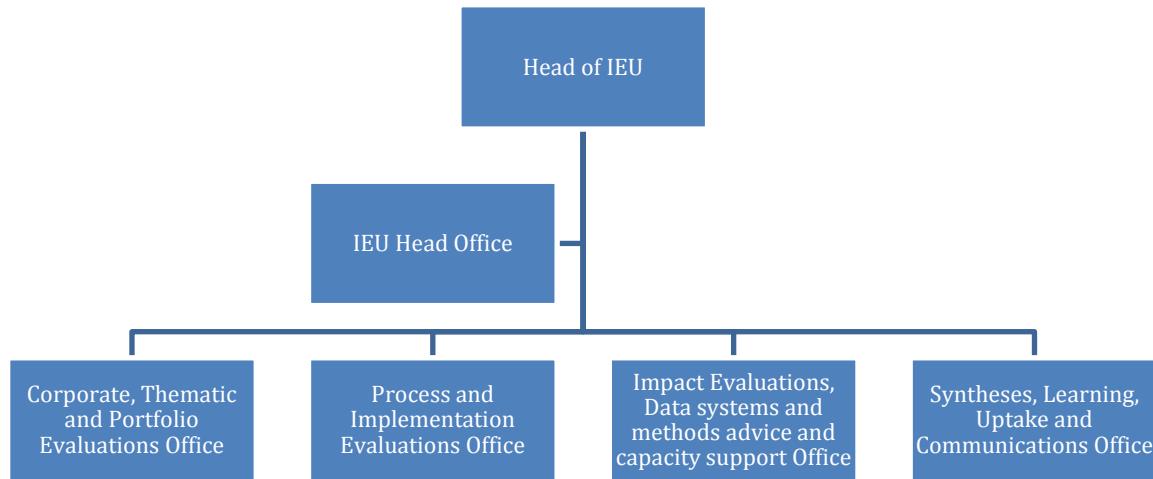
	Item	Budget (USD) (March to June 2017)
1.	Salaries and consultants	
1.1	Full-time staff	240,930
1.2	Consultancies	70,000
	Subtotal: salaries and consultants	310,930
2.	Travel	
2.1	Travel	20,000
	Subtotal: travel	20,000
3.	Engagement to support evaluation capacity and learning	
3.1	Support for evaluation related international meetings	20,000
	Subtotal: support activities	20,000
4.	Operating costs	
4.1	Other costs	20,000
	Subtotal: operating costs	20,000
	Grand total (1+2+3+4)	370,930

Annex III: Timeline for key activities (March to June 2017) of the Independent Evaluation Unit

Activities	Key related outputs	Timeline		B.16	B.17
		March	April	May	June
I. Outline independent evaluation policy					
1 Facilitated consultations with GCF staff on the Independent evaluation policy	Outline of the Independent evaluation policy				
II. Establish the IEU					
2 Compile IEU advisory group TOR	IEU advisory group formed				
3 Hire IEU key consultants	IEU key staff TOR disseminated				
III. Build and strengthen evaluation capacity					
4 Initial engagement to assess capacity of accredited entities and other organizations	Draft outline of the Independent evaluation policy; MOU template drafted				
IV Outline the key elements of annual and three-year rolling work plans for the IEU					
5 Internal facilitated consultations with GCF staff and related stakeholders	Consultants hired; rolling three-year work plan for the IEU				
6 Articulating a work plan and budget for July to December 2017	Work plan and budget for 2017				

Abbreviations: B.16 = sixteenth meeting of the Board, B.17 = seventeenth meeting of the Board, IEU = Independent Evaluation Unit, MOU = memorandum of understanding, TOR = terms of reference.

Annex IV: Independent Evaluation Unit organization chart



Abbreviation: IEU = Independent Evaluation Unit.
