



**GREEN  
CLIMATE  
FUND**

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**GCF/B.18/16**

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# Work plan and budget of the Independent Evaluation Unit for 2018

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## **Summary**

This document summarizes key elements of the work plan and budget of the Independent Evaluation Unit (IEU) for 2018. This document contains three main elements that were promised at B.16: (1) Key elements of IEU's three-year rolling work plan; (2) Key elements and budget of IEU's annual (2018) work plan and budget; and (3) An outline of the independent evaluation policy. The Board is requested to consider and approve a budget of USD 2,639,467 for FY2018. A draft decision for the Board's consideration is presented in annex I.

## I. Introduction

1. This document builds on document GCF/B.16/18 which presented the key elements of the four-month work plan for the IEU. This document is organized as follows:
  - (a) Annex I presents a draft decision for the Board's consideration.
  - (b) Annex II presents the key objectives and activities of IEU's rolling three-year workplan.<sup>1</sup>
  - (c) Annex III lays out IEU's 2018 work plan and its 2018 budget.
  - (d) Appendix I presents an outline of the Independent Evaluation Policy.
2. An update on IEU's activities over the period 1 March to 31 August 2017 is presented in document GCF/B.18/Inf.06.<sup>2</sup>

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<sup>1</sup> Op. cit.

<sup>2</sup> Decision document GCF/B.06/Annex III

## Annex I: Draft decision of the Board

The Board, having considered document GCF/B.18/16 titled “Work plan and budget of the Independent Evaluation Unit for 2018”:

- (a) Approves the overall objectives of the IEU as articulated in its rolling three-year work plan as laid out in annex II and recommends that it be updated annually to ensure flexibility, learning and predictability for the IEU;
- (b) Approves the work plan and budget of the Independent Evaluation Unit for 2018 as contained in document GCF/B.18/16 and annex III (total budgeted amount of USD 2,639,467), respectively;
- (c) Recommends that there be a designated Board committee to provide advice and guidance to the IEU; and
- (d) Recommends that the IEU discuss norms for a standardized budget with the Board and present this at B.21.

## Annex II: IEU's three-year objectives and work plan

1. Overall objectives of the IEU are derived from the Governing Instrument. These include:<sup>3</sup>
  - (i) Informing the decision-making of the Board and identify and disseminating lessons learned, contributing to guiding the Fund and stakeholders as a learning institution, providing strategic guidance;
  - (ii) Conducting periodic independent evaluations of the Fund's performance in order to provide an objective assessment of the Fund's results and the effectiveness and efficiency of its activities; and
  - (iii) Providing evaluation reports to the Conference of Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) for purposes of periodic reviews of the financial mechanism of the Convention.
2. Key aims for the IEU for the period 2017-2020 are summarized below. Objectives and activities associated with these are summarized in Table I.
  - (a) **Build the IEU and complete staffing:** A key objective for the IEU will be to ensure that the IEU is adequately staffed to ensure that it can deliver its workplan including its overall learning and accountability objectives. Staff at the IEU will reflect the best standards in evaluative training, practice, theory and ethics. The IEU will be a well-managed unit. The IEU will also ensure that its vision and practices are well shared, internally and externally and that the IEU's strategy, independent evaluation policy and procedures for functioning and governance are well articulated (see annex III).
  - (b) **Undertake and deliver high quality evaluations:** The IEU will undertake key, high-quality performance, portfolio, thematic, country, programmatic and project evaluations that are identified by the IEU and are useful for the Board, the GCF secretariat and the COP.<sup>4,5,6</sup> These will also serve as building blocks for fund level evaluations that assess the effectiveness and efficiency of the GCF. The IEU will deliver at least two evaluations each year. Details of these evaluations are presented in Annex III. The IEU will also review the GCF's results-based framework and performance framework and provide recommendations to the Board.<sup>7</sup>
  - (c) **Build and deliver an evaluation-based learning, advisory and capacity strengthening programme:**<sup>8</sup> IEU's evaluation-based learning and capacity building programme will respond to the evaluation-related capacity needs of the GCF Board, secretariat, accredited entities, NDAs, and other stakeholders in the evaluation and

<sup>3</sup> Also, see Decision document GCF/B.06/Annex III.

<sup>4</sup> Decision B.06/09/Annex III.

<sup>5</sup> Decision B.06/09/Annex III.

<sup>6</sup> All evaluations will have four phases: During phase one, a pre-scoping exercise will be undertaken which will include review of key documents and a field visit (if required). This will result in finalizing the terms of reference of the evaluation. In phase II the appropriate team will be put together, consisting mainly of IEU staff in keeping with international best practice. Consultants will be pulled in especially during the early stages of the IEU's evolution when staffing may be a concern. Consultants will also be pulled in for specific thematic, sector or geographic expertise. Key outputs during Phase II will be a team with an IEU evaluation leader and an approach paper for the evaluation. In Phase III engagement will occur with key stakeholders, data collection, data analysis and document review. A draft evaluation report will be drawn up. Phase IV will include engaging with key stakeholders to share emerging results, verify emerging conclusions and building sensitivity and understanding of conclusions. The draft will also be shared with evaluands for fact checking. At the end of Phase IV, the final evaluation document will be shared with the Board. After the evaluation is presented, dissemination and communication will be an important follow up action.

<sup>7</sup> Decision B.06/09/Annex III

<sup>8</sup> Decision B.06/09/Annex III/23 and Decision B.10/05/Annex V



climate change space.<sup>9</sup> The IEU will work towards ensuring that programmes and activities funded by the GCF have sufficient quality in terms of data, design and information to inform evaluations.

- (d) **Focused engagement and establish IEU's leadership in the climate change evaluation space:** The IEU will engage actively with key actors in the evaluation space and be at the forefront of evaluation practice and theory while collaborating with GCF stakeholders and involving them in IEU's activities.<sup>10</sup> It will build awareness across a variety of actors on high quality methods and standards for evaluative evidence in the climate change space and build partnerships with key actors. To ensure this, the IEU will also build the IEU's niche and build its reputation as a leader in the evaluation and learning space, that is synonymous with quality and credibility.

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<sup>9</sup> Decision B.06/09/Annex III/2 (a), 6, 7, 9, 16,19, 21, 22, 23 and B.10/05/Annex V/15

<sup>10</sup> B.06/09/Annex III/10 and 11 and B.10/05/Annex V/ 5, 8, 9, 14, 15, 16.

**Table I: Aims, objectives and key outputs of the IEU’s rolling three-year work plan.**

NO.	AIM	OBJECTIVES	OUTPUTS
1.	<b>Build the IEU and complete staffing.</b> <sup>11</sup>	1a. Ensure that the IEU is completely staffed to meet its objectives of accountability and learning. <sup>12</sup>	<ul style="list-style-type: none"> <li>• The IEU is fully staffed with an emphasis on building high quality evaluation and thematic capacity;</li> <li>• Terms of reference for IEU’s five work streams are widely disseminated and high functioning staff hired competitively at the IEU;<sup>13</sup></li> <li>• IEU is well managed and personal performance and professional development plans for all IEU staff have been articulated.</li> <li>• An orientation package including processes and procedures has been piloted and finalized.</li> </ul>
		1b. IEU’s policies and standards are well-articulated and understood.	<ul style="list-style-type: none"> <li>• An Independent Evaluation Policy is produced;</li> <li>• Guidelines and standards are produced to reflect these;</li> <li>• Awareness is generated amongst GCF staff and NDAs, AEs and others to ensure these are mainstreamed.</li> </ul>
		1c. Procedures and guidelines for the effective functioning of the IEU are specified.	<ul style="list-style-type: none"> <li>• IEU’s vision and strategy are finalized and shared with all IEU staff;</li> <li>• IEU’s governance guidelines and procedures to ensure the independence and effective functioning of the IEU, in keeping with international best practices, is submitted to the GCF Board, and are updated as required<sup>14</sup>;</li> <li>• A rolling three-year plan and an annual work plan presented every year;<sup>15</sup></li> <li>• An IEU annual report produced and disseminated every year and disseminated, starting in 2018.<sup>16</sup></li> </ul>

<sup>11</sup> Decision document GCF/B.06/Annex III “...the evaluation function should be located independently from other management functions” and Annex V to Decision B.10/05/(k) ‘The Head of the IEU ...(is) responsible for leadership and management of the unit, including the authority to make appointments and manage staff of the unit’.

<sup>12</sup> Decision B.08/07/Annex IX and Decision B.10/05/(k)/Annex V.

<sup>13</sup> Decision B.16/07.

<sup>14</sup> GCF/B.06/Annex III.

<sup>15</sup> GCF/B.06/Annex III.

NO.	AIM	OBJECTIVES	OUTPUTS
2.	<b>Undertake and deliver high-quality evaluations to the GCF Board</b>	2a. Undertake key high-quality performance, portfolio, thematic, country, programmatic and project evaluations annually that are useful to the Board, the GCF secretariat and the Conference of Parties and are able to provide an independent assessment of the Fund's operations. <sup>17</sup>	<ul style="list-style-type: none"> <li>• The IEU will undertake at least two evaluations annually. Evaluations will be chosen from the following list and their timing will depend on advice from the GCF board. Other evaluations may also be identified depending on the accountability and learning needs of the GCF Board.</li> <li>• <i>Performance evaluations</i>: Possible evaluations include examining the extent to which the accreditation process and the project approval processes of the secretariat have delivered relevant results for the GCF; To what extent has the GCF secretariat been successful in promoting country ownership through its processes?<sup>18</sup></li> <li>• <i>Portfolio evaluations</i>: Possible evaluations include the extent to which the GCF portfolio has responded to the adaptation and mitigation goals for LDC group of countries; Is the GCF meeting the needs of SIDs as determined by their NDCs, effectively and efficiently?</li> <li>• <i>Thematic evaluations</i>: Possible evaluations include assessing the GCF's effectiveness and efficiency in engaging with the private sector; and, assessing the GCF's effectiveness, performance and efficiency while delivering its adaptation, mitigation and REDD+ related objectives;</li> <li>• <i>Country portfolio evaluations and smaller project and programmatic evaluations</i>: IEU's project and programmatic evaluations will focus on topics where there is insufficient evaluation related evidence globally and where it is especially important to demonstrate the transformational potential, effectiveness and efficiency, scalability and replicability at the project and programmatic level.</li> </ul>

<sup>16</sup> B.06/09/Annex III.

<sup>17</sup> Decision B.06/09/Annex III.

<sup>18</sup> Decision B.06/09/Annex III/14.

NO.	AIM	OBJECTIVES	OUTPUTS
		<p>2b. Undertake high quality <i>overall</i> performance evaluations of the GCF including (but not restricted to) an overall assessment of results, efficiency and effectiveness.<sup>19</sup></p>	<ul style="list-style-type: none"> <li>• The IEU will also undertake overall performance evaluations as required by its TORs.<sup>20</sup></li> <li>• The IEU will also deliver the following at a date determined by the GCF Board:               <ol style="list-style-type: none"> <li>(1) Provide evaluation reports to the Conference of Parties to the United Nations Framework Convention on Climate Change and the Paris Agreement for the purposes of periodic review of the Financial Mechanism of the Convention;<sup>21</sup></li> <li>(2) An overall assessment of the Fund’s results and the effectiveness and efficiency of its activities.<sup>22</sup></li> </ol> </li> </ul>
		<p>2c. Review of the results management and performance management framework is successfully completed.</p>	<ul style="list-style-type: none"> <li>• Provide key recommendations based on international evidence and best practices for improving GCF’s results management framework and performance management frameworks.<sup>23</sup></li> </ul>
3.	<p><b>Build and deliver an evaluation-based learning, advice and capacity strengthening programme:</b></p>	<p>3a. Ensure programmes and activities funded by the GCF have sufficient quality in terms of data, design and information to inform evaluations</p>	<p><b>Build and deliver an evaluation-based learning, advice and capacity strengthening programme:</b></p> <ul style="list-style-type: none"> <li>• IEU will build awareness about uses of evaluation and strengthen appropriate systems/institutional and human capacity for evaluative evidence and evidence-based policies.</li> <li>• It will build and deliver customized workshops and dissemination products to ensure learning and uptake for this objective. IEU will work closely with appropriate GCF staff, accredited entities, and other</li> </ul>

<sup>19</sup> Decision B.06/09/Annex III.

<sup>20</sup> B.06/09/Annex III and B.10/05/Annex V

<sup>21</sup> 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/CP19, annex, paragraph 20).

<sup>22</sup> B.06/09/Annex III: ‘Should the COP commission an independent assessment of the overall performance of the Fund, the IEU would support the work involved in the such assessment. An overall performance study would become a responsibility of the IEU, as has been the case with the Global Environment Facility (GEF) Evaluation Office since 2007’.

<sup>23</sup> GCF/B.06/Annex III

NO.	AIM	OBJECTIVES	OUTPUTS
			<p>stakeholders.</p> <ul style="list-style-type: none"> <li>• IEU will provide evidence-based recommendations on projects/programmes of activities to improve the ability of the IEU to provide quality evaluation of the Fund’s activities. It will also work to ensure that these are reflected in funded activities agreements and proposals.<sup>24</sup></li> <li>• IEU will also initiate and support a pilot impact evaluation grant program that supports building high quality evaluation designs. This will ensure that GCF and its stakeholders can learn about and generate high-quality, credible evaluations that <i>measure attributable change</i> in GCF result areas.</li> <li>• IEU will deliver a plan for capacity building and learning through evaluations, at B.21.</li> </ul>
		<p>3b. Synthesize evaluative evidence from international experience and GCF related evaluations to benchmark and inform evaluations in GCF result areas, inform results and performance frameworks and help prioritize evaluations and evaluation-related research using state-of-the-art methods.<sup>25</sup></p>	<ul style="list-style-type: none"> <li>• IEU will build a database of evaluative evidence and synthesize learning through evidence gap maps and systematic reviews.</li> <li>• IEU will support systematic reviews and meta-syntheses of evaluative evidence relevant to GCF result areas.</li> </ul>
		<p>3c. Provide inputs to improve the results-based framework and performance frameworks of the GCF.<sup>26</sup></p>	<ul style="list-style-type: none"> <li>• IEU will conduct retrospective theories of change exercises to inform the results framework and the performance management framework of the GCF.</li> <li>• It will provide evidence based recommendations by analysing</li> </ul>

<sup>24</sup> B.06/09/Annex III

<sup>25</sup> Decision B.10/05/Annex V/ 14 and 15

<sup>26</sup> Decision B.06/09/Annex III

NO.	AIM	OBJECTIVES	OUTPUTS
		<p>3d. Build capacity for undertaking evaluations, understanding standards and methods, within the secretariat and key GCF stakeholders and use innovative ways to ensure this.<sup>28</sup></p> <p>IEU will be at the forefront of methods and climate science</p>	<p>reporting templates and engage with accredited entities and other stakeholders to provide evidence-based recommendations on designs to ensure high quality, credible reporting and evaluations.</p> <ul style="list-style-type: none"> <li>• IEU will also work on developing state of the art methods to inform and build evaluations led by the IEU. To this end, it will review international best practices in policy evaluation, methods and indicators and use these to attest and benchmark the quality of GCF self-evaluations conducted by the Secretariat and make recommendations for the results management framework and the performance management framework;<sup>27</sup></li> <li>• The IEU will build innovative products to ensure learning, and uptake of evaluative evidence. To this end IEU will train, share and build capacity for undertaking evaluations within the secretariat and collaborate with it to build capacity and awareness within AEs and NDAs.</li> <li>• It will build customized workshops, engage with other agencies and trainers to build trainer of trainer modules and matchmake teams for programme and project evaluations.</li> <li>• IEU will also build training modules and provide capacity building related bursaries to GCF stakeholder staff including staff from intermediary agencies to bring them up to speed on state of the art methods for evaluating the Fund's activities.</li> <li>• It will also collaborate with local universities and other agencies to build these customized courses.<sup>29</sup></li> <li>• IEU will support methods related work that are relevant to GCF's result areas and evaluations, that harness complexity science and new</li> </ul>

<sup>27</sup> Annex III to decision B.06/09

<sup>28</sup> Decision B.06/09/Annex III/ 21, 23

<sup>29</sup> Incheon National University has already been in contact with IEU. Yonsei University has also shown early interest. IEU has also been in contact with UNDP IEO, GEF IEO and Claremont University. Other institutions include the Evaluators Institute, IPDET, UNISDR as well as relevant offices of accredited entities that IEU will build collaborative partnerships with, to build capacity amongst GCF stakeholders for doing and participating in evidence based evaluations.

NO.	AIM	OBJECTIVES	OUTPUTS
		and establish the IEU as a global leader in the field. <sup>30</sup>	measurement methods. This includes commissioning methods papers, briefs, and reviews, supporting knowledge hubs and supporting relevant conferences, workshops, methods labs and learning clinics. <sup>31</sup>
4.	<b>Focused engagement and establish IEU's leadership in the climate change evaluation space.</b>	4a. The IEU will work to increase its engagement with key actors in the international evaluation space and encourage collaboration with GCF partners, accredited entities, NDAs and focal points and other evaluation related staff in partner organizations.	<ul style="list-style-type: none"> <li>• Customized awareness building workshops on evaluation vision and modules on high quality evaluation methods and standards;</li> <li>• Communication products communicating the main messages from key evaluations; and,</li> <li>• Formal partnership agreements with key networks and organizations.</li> </ul>

<sup>30</sup> Decision B.10/05/Annex V/8

<sup>31</sup> GCF/B.05/03/ Annex I

## Annex III: IEU's annual work plan and budget for 2018

1. This annex is organized as follows:
  - (a) Section I presents key elements of IEU's work plan that are informed by its responsibilities and three-year work plan;
  - (b) Section II presents the budget for the IEU for 2018;
  - (c) Section III presents a brief on policies and procedures for the independent and effective functioning of the IEU; and
  - (d) Appendix I presents an outline of the Independent Evaluation Policy.

### I. IEU's 2018 work plan

2. Key elements are as follows. A timeline is presented in Table II.
3. **Building the IEU:** During 2018, a key focus for the IEU will be to build and strengthen the Unit. Key activities include:
  - (a) Staffing the IEU: Three new staff members to support IEU's work streams, will be hired in 2018.
  - (b) Work on the Independent Evaluation Policy will continue and a draft will be circulated at B.21.
  - (c) Work on the vision and strategy of the IEU will continue and IEU's vision, theory of change and strategy will be circulated at B.21. Terms of reference for IEU's five work streams will be articulated in alignment with IEU's vision and strategy document.
4. **Evaluation:** The IEU will undertake two evaluations in 2018. The purpose of these evaluations is to support the GCF Board by providing it with credible evaluation evidence on the performance of the Fund and inform the Executive Director of the Secretariat. This work stream includes the following activities:
  - (a) Independent Evaluation of the Readiness and Preparatory Support Programme: At B.17, the GCF Board requested the IEU to lead the independent evaluation of the Readiness and Preparatory Support Programme.<sup>32</sup> The evaluation report will be presented to the Board at B.21.
  - (b) The IEU will continue a process of consultation to propose an additional evaluation to be undertaken by the IEU. The topic and timing of this evaluation will be determined in consultation with the co-chairs and will be presented for decision at B.19.<sup>33</sup>  
IEU's other evaluation-related activities during 2017 include:
    - (c) Provide evidence-based recommendations on improvements on the results management framework. Recommendations will be provided to the Board at B.21;<sup>34</sup> and
    - (d) The IEU will pilot project-level impact evaluations for four projects/programmes. These will assist projects in *measuring causal* impact of GCF investments. The first phase of this pilot consisting of advice and support ('formative project evaluations') will be initiated

<sup>32</sup> Decision B.06/Annex III, evaluations will 'provide the Board and COP an independent assessment of the Fund's operations. These evaluations will also be used as building blocks for an overall assessment of the Fund.'

<sup>33</sup> Decision B.13/21

<sup>34</sup> Decision B.06/9/Annex III

in 2018. Projects will be selected for demonstrating best practice and will be in areas where evaluation related evidence is sparse. During this pilot phase projects related to forestry and climate information services will be supported. The IEU will present a report on this pilot at B.21.

5. **Evidence-based advice, capacity strengthening and learning:** IEU's terms of reference charge it to develop plans to ensure that evaluations inform learning across the Fund.<sup>35</sup> IEU's plan for 2018 will have the following components:

- (a) The IEU will undertake a needs assessment and a capacity assessment of GCF staff, systems and secretariat, as well as GCF entities to understand key training and learning needs. This will inform a capacity strengthening plan that will be presented to the Board at B.21;
- (b) Evaluation methods learning paper series: IEU will commission two high quality methods papers as part of a series to explore state of the art methodologies and measurement that are important for climate change evaluation. These will focus on examining two approaches: complexity science, and uses of big and rapid data and their applications for evaluations; and
- (c) The IEU will consolidate previous evaluation evidence in low carbon, climate resilient pathways and GCF result areas. These will be shown in easy-to-read evaluation maps will help the IEU and the GCF to learn from evaluation evidence from other programmes.<sup>36</sup>

6. **Focused engagement and uptake:** The terms of reference of the IEU require it to create awareness, be at the forefront of theory and practice and participate in networks.<sup>37</sup> This will also establish complementarity and coherence with other evaluation offices. To achieve this, the following activities will be undertaken:

- (a) IEU will engage with key climate change and evaluation experts at international conferences and build an active network that supports high quality evidence and evaluations. Innovative and cost-effective methods will be used including videos and podcasts to prepare learning modules to communicate evaluation standards and methods.
- (b) IEU staff will participate in and support evaluation networks to ensure that the IEU is at the frontier of evaluation practice. To ensure complementarity and coherence, it will establish and support close relationships with the independent evaluation units of intermediaries and implementing entities of the GCF.<sup>38</sup> The IEU will support learning workshops at international conferences where GCF stakeholders will be invited to participate.

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<sup>35</sup> Decision B.06/9/Annex III and Decision B.10/05/Annex V.

<sup>36</sup> Some of these gaps have been identified in the Map of Maps produced by Campbell Collaboration and the International Initiative for Impact Evaluation (3ie). In 2018, IEU will focus on synthesizing evidence in the area of forestry programmes and evidence for incentivizing pro-environment behavior.

<sup>37</sup> Decision B.06/9/Annex III and Decision B.10/05/Annex V.

<sup>38</sup> 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.

**Table II: Annual workplan timeline for the Independent Evaluation Unit (2018)**

Activities	Key Outputs												
		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>I. IEU OFFICE</b>													
2. IEU staff TORs finalized	IEU staff hired	[Timeline bar from Jan to Dec]											
3. Updated IEU reports	IEU quarterly/annual progress reports distributed.	[Timeline bar from Mar to Dec]											
4. Independent Evaluation Policy	Draft and engagement webinars	[Timeline bar from Sep to Oct]											
5. IEU overall strategy finalized	IEU vision and strategy on IEU website	[Timeline bar from Sep to Oct]											
<b>II. EVALUATION</b>													
6. Evaluation of Readiness and Preparatory Support	Independent Evaluation Report presented to the Board	[Timeline bar from Jan to Oct]											
7. Additional evaluation topic presented and approved.	Pre-scoping period concludes, TOR finalized.	[Timeline bar from Jul to Aug]											
8. Results framework reviewed.	Recommendations presented	[Timeline bar from Aug to Sep]											
9. Impact evaluations pilot	Pilot project impact evaluation frameworks	[Timeline bar from Oct to Nov]											
<b>III. FOCUSED ENGAGEMENT AND LEADERSHIP IN EVALUATION</b>													
9. IEU partnerships	Membership agreements	[Timeline bar from Jan to Dec]											
10. Learning papers commissioned	Draft papers disseminated	[Timeline bar from Jan to Dec]											
11. Evaluation maps	Evaluation maps circulated	[Timeline bar from Jan to Dec]											
<b>IV. EVALUATION BASED LEARNING &amp; CAPACITY STRENGTHENING</b>													
12. Customized training workshops organized.	Evaluation capacity strengthening workshops	[Timeline bar from Jan to Dec]											
13. Needs and capacity assessment	Conclusions presented to Board	[Timeline bar from Jan to Dec]											

## II. IEU Budget for 2018

The budget for the IEU for 2018 is shown in Table III. It covers the following items:

7. **Staff:** the budget item covers the salaries of staff, including the Head of the IEU and a team assistant both of whom are in office. By the end of 2017, IEU will have made offers to four staff members. In 2018 it will employ two additional staff. It is expected that the IEU will have eight staff members by the end of 2018 including one administrative assistant to support the work streams presented at B.16.<sup>39</sup> IEU will undertake on average four evaluations at least every year (with the exception of 2018 when two evaluations will take place). IEU staff will be responsible for delivering the four work streams of the Unit and will participate in IEU led evaluations, its capacity strengthening and advisory work.<sup>40</sup>

8. **Consultants:** The IEU is expected to undertake two evaluations in 2018. All evaluations will be led and prepared by IEU staff. For each evaluation, the IEU will bring on two external experts to work with IEU staff for the duration of the evaluation. Since the IEU is just starting to build up, and some staff will come on board during the year 2018, IEU will hire consultants to complement its work in 2018. In subsequent years and starting 2019 we expect this budget to reduce. IEU will also produce two methods and learning papers as part of the IEU evaluation learning series. Two methods experts will be brought on for short consultancies in 2018. The IEU will produce short learning briefs from these.

9. **Travel:** In 2018, travel will be undertaken as part of fieldwork for two evaluations that the IEU will lead. IEU staff will also engage closely with other evaluation offices and with organizations that are working at the frontier of evaluation methods and practice and represent IEU at international evaluation conferences to ensure complementarity and coherence. IEU will host three capacity building workshops and take advantage of opportunities and space presented by these conferences to host these workshops.

10. **Professional services:** IEU will procure the services of specialized agency to support its work on a pilot impact evaluation programme. The agency will work closely with IEU staff and with project staff to undertake formative work and help GCF projects measure causal impact of GCF projects. At this stage, these will be based on needs expressed by project staff. IEU will also support two evaluation maps that will consolidate, illustrate and summarize evaluation-evidence in two areas relevant to the GCF.

11. **Other costs:** Other costs include costs for producing videos, subscriptions to journals, and web-site related costs. Since the IEU is a new unit, a small budget amount for infrastructure and other set up costs has also been included.

**Table III: Budget for the Independent Evaluation Unit (2018)**

Category	2018
Staff costs	1,883,667
Consultants/Intern costs	187,800
Travel	228,000
Professional Services	240,000
Other operating costs	100,000
<b>Total</b>	<b>2,639,467</b>

<sup>39</sup> Decision B.16/07

<sup>40</sup> Decision B.16/07

### III. Policies and procedures for the independent functioning of the IEU

12. To ensure predictability and ability to plan, the IEU has done a survey of best practices amongst international organizations. Table IV shows the budgets for independent evaluation offices of five international organizations.

13. IEU presented a discussion draft to the co-chairs for consideration titled ‘Policies and Procedures for the Independence and effective functioning of the Independent Evaluation Unit’ in July 2017. This document will be submitted to the Board for consideration at B.21.

**Table IV: Budgets of select Independent Evaluation Offices**

No.	Organization	Average Annual Evaluation Office budget (US\$)	Office budget percentages
1.	WB – Independent Evaluation Group (IEG)	33.6 million <sup>1</sup>	1.5 – 2% of overall budget
2.	GEF – Independent Evaluation Office (IEO)	4.75 million	A percentage of annual financial work plan. <sup>2</sup>
3.	IADB – Office of Evaluation and Oversight (OVE)	6.8 million	1.5% of the IADB’s administrative budget
4.	ADB – Independent Evaluation Department (IED)	11 million	1.7 – 1.8% of the ADB’s budget
5.	UNDP – Independent Evaluation Office (IEO)	7.9 million. Additionally, decentralized evaluation budget is \$ 18 million	1% of the organization’s budget

Sources: 1: Caroline Heider, head of Independent Evaluation Group, of the World Bank; 2: Juha Uitto, Director and head of independent evaluation office of the GEF; 3: Cheryl Gray, Director, Office of oversight and evaluation, Inter American Development Bank (IDB); 4: Vinod Thomas, ex- Director General of the Independent Evaluation Department of the ADB; 5: Indran Naidoo, Head of Independent Evaluation Office, UNDP. This was discussed also with the head of IEU’s advisory group.

## Appendix I: An outline of the Independent Evaluation Policy

### Contents

- I. Purpose, status, scope of the policy
  - a. The role that evaluation can play in learning and accountability
    - i. The paradigm shift goal and the role of accountability and learning
    - ii. Balance between accountability and learning
  - b. The mandate of the Fund and the challenge it presents
    - i. Methodological challenges of M&E for climate change
    - ii. Balance between tailored versus standardized approaches and indicators
    - iii. Cross-cutting themes (e.g., gender, poverty reduction, rights-based approaches, good governance)
    - iv. Co-benefits and overlap between climate change and other sustainable development aims.
  - c. The theory of change of the IEU
    - i. Learning and filling evidence gaps
    - ii. Accountability
    - iii. Capacity building and advice
    - iv. Producing trusted, independent and credible evidence
    - v. Synthesizing evidence and informing use for effective and efficient decision making
- II. Evaluation Principles
  - a. Principles of evaluation,
  - b. Types of evaluations and their advantages and disadvantages, and appropriate uses.
- III. Monitoring and evaluation at the GCF
  - a. Roles and responsibilities: routine monitoring and management of programmes; role of the Independent Evaluation Unit versus other departments;
  - b. Use of headline indicators;
  - c. IEU support to GCF divisions and Independent Units;
  - d. Supporting GCF stakeholders and accredited entities at inception to ensure high quality evaluations;
- IV. Ensuring the potential for high evaluation quality at entry:
  - a. Basic requirements overall
  - b. Basic requirements for mitigation programmes
  - c. Basic requirements for adaptation programmes
  - d. Distinguishing requirements between public and private sector programmes.
- V. Evaluation criteria, procedures and minimum requirements for different types of learning-oriented evaluations
- VI. IEU/GCF evaluation architecture
  - a. Evaluation related work stream
  - b. Learning, advisory and impact evaluation work stream
  - c. Capacity building work stream



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- d. Engagement, communication and uptake work stream
- VII. Implementation of the Evaluation Policy
- a. Goals of the IEU
  - b. Building capacity at different levels.
  - c. Requirements for accredited entities
- VIII. Ensuring uptake and use
- a. Using evaluations for learning for diverse audiences
  - b. Building capacity and advisory work
  - c. Presenting, disseminating, and communicating findings to internal and external stakeholders (including non-technical and low-capacity audiences)
  - d. Other innovative methods
- IX. Next steps: Building requirements, an operational manual, guidelines and translating guidance into action.
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