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# Independent Evaluation Unit 2021 Work Plan and Budget and Update of its Three-year Objectives and Work Plan

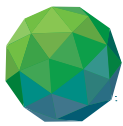
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## **Summary**

This document summarizes the key elements of the work plan and budget of the Independent Evaluation Unit (IEU) for 2021. It contains: (i) an overview of the IEU's achievements during 2020 while referring to the IEU's activity report (document GCF/B.27/Inf.09); (ii) key elements of the IEU's annual (2021) work plan and budget; and (iii) an update of the IEU's rolling three-year work plan. The Board is requested to consider and approve a core budget of USD 5.91 million for FY2021. A draft decision for the Board's consideration is presented in annex I.

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## **I. Introduction**

1. This document is organized as follows:
  - (a) Introduction
  - (b) Annex I: Draft decision for the Board's consideration;
  - (c) Annex II: IEU's 2021 proposed work plan and budget; and
  - (d) Annex III: IEU's updated three-year rolling work plan.

## Annex I: Draft decision of the Board

The Board, having considered document GCF/B.27/11 titled “Independent Evaluation Unit 2021 Work Plan and Budget and Update of its Three-year Objectives and Work Plan”:

- (a) Approves the work plan and budget of the Independent Evaluation Unit for 2021 as contained in document GCF/B.27/11 (total budgeted amount of USD 5,912,573);
- (b) Requests the Budget Committee to review the budget execution during 2021 and acknowledges that the Independent Evaluation Unit may present to the Board for consideration at its twenty-ninth meeting an additional budgetary request to execute its workplan for 2021;
- (c) Further requests the Independent Evaluation Unit, under the guidance of the Budget Committee, to prepare a multi-year budget for the second performance review of the Fund for consideration by the Board at its twenty-eighth meeting; and
- (d) Notes the update on the Independent Evaluation Unit’s rolling three-year work plan, outlined in annex III as requested by the Board to ensure flexibility, learning and predictability for the Independent Evaluation Unit.

## Annex II: IEU's Annual Work Plan and Budget for 2021

1. Annex II is organized as follows:
  - (a) Section 1.1 summarizes the IEU's key achievements for 2020.
  - (b) Section 1.2 presents the IEU's 2021 work plan.
  - (c) Section 1.3 presents the budget for the IEU for 2021.

### 1.1 IEU's achievements in 2020

2. By the end of the current year, the IEU will have accomplished all the tasks set out in its 2020 work plan and agenda (decision GCF/B.24/12/Rev.01). IEU's key achievements for the first half of 2020 are sourced from the IEU activity report submitted at B.25 (GCF/B.25/Inf.02):

- (a) **Producing high-quality evaluations (including evaluations completed and/or commenced during the reporting period)**
  - (i) **Rapid assessment of the Simplified Approval Process (SAP):** This assessment of SAP's effectiveness in providing easier access to the GCF found that approval time for SAP projects is on average only 34 days quicker than the GCF's regular approval processes (365 days versus 399 days). Also, half of the currently approved SAP portfolio is allocated to the Least Developed Countries (LDC) but not to Small Island Developing States (SIDS). A [2-page brief](#), and a [full report](#) with all findings and recommendations are available online.<sup>1</sup> The IEU held three webinars on the findings and recommendations with the GCF Board members and advisors, the Accreditation Panel of the GCF, members from civil society and private sector organizations as well as with the GCF Secretariat in May 2020.
  - (ii) **Independent synthesis of the GCF accreditation function:** This synthesis summarizes credible evidence on the effectiveness and efficiency of the accreditation function within the GCF (and also benchmarks it). The synthesis identifies challenges in the governance of the accreditation function (including for the Accreditation Committee and the Accreditation Panel) and makes recommendations for an accreditation strategy. It also offers some cautionary notes for the Project Specific Assessment Approach (PSAA). A [2-page brief](#), and the [full synthesis report](#) that has now been submitted to the GCF Board are available online.<sup>2</sup> The IEU held three webinars on the findings and recommendations with the GCF Board members and advisors, the Accreditation Panel of the GCF as well as the Secretariat and members of the civil society and private sector in June 2020.
  - (iii) **(Forthcoming) Independent evaluation of the relevance and effectiveness of GCF's investments in Small Island Developing States (SIDS):** This evaluation (i) examines the effectiveness of GCF investments in SIDS, (ii) assesses if the GCF business model is appropriate for fulfilling SIDS specific and urgent climate needs and, (iii) considers whether GCF financing for SIDS complements other climate finance delivery channels. A [2-page brief](#) of the evaluation and an [inception paper](#) are online.<sup>3</sup> The final report is scheduled for B.27. The inception report was shared with the GCF Secretariat for comments in

<sup>1</sup> <https://ieugreenclimatefund/evaluations/sap>

<sup>2</sup> <https://ieugreenclimatefund/evaluations/accreditation>

<sup>3</sup> <https://ieugreenclimatefund/evaluations/sids>

April 2020. The IEU has held webinars on the inception report, factual draft and emerging recommendations for the GCF Board members, advisors and the accredited entities, members of civil society and private sector organizations, as well as the GCF Secretariat in April, September and October 2020.

- (iv) **(Forthcoming) Independent evaluation of the adaptation approaches and portfolio of the GCF:** This evaluation examines the extent to which the GCF is, contributing to a paradigm shift in adaptation in developing countries. It reviews and systematically consolidates evidence from the climate finance landscape and evaluates the role, reliability, responsiveness and relevance of the GCF's portfolio. It aims to demonstrate how transformational adaptation can be conceived, funded, implemented and measured. Commencing in January 2020, the evaluation's report will be tabled at B.28 in 2021. A 2-page brief of the evaluation and an approach paper is available online.<sup>4</sup> The approach paper was shared with the GCF Secretariat for comments in June 2020. The IEU's evaluation team held webinars on the approach paper with GCF Board members and advisors, the GCF Secretariat and AEs, as well as members of civil society and private sector organizations in July 2020.
- (v) **(Forthcoming) The IEU's Learning-Oriented Real-Time Impact Assessment (LORTA) programme.** The LORTA programme aims to help GCF projects independently and credibly *measure* and attribute the impact of GCF's investments; identify who benefits, how much, why and under what circumstances. LORTA is a key multi-year programme is dedicated to helping projects build independent measurement and data systems so that the IEU will be able to report overall GCF impacts in a quantifiable, credible, verifiable way. LORTA is also part of IEU's advisory services. IEU recently published a synthesis of its 2019 projects. The 2020 LORTA synthesis report discusses the programme's selection process, evaluation design and questions, lessons learned, and sample size and design issues. The LORTA team, in partnership with Conservation International, recently produced the Sustainable Landscapes in Eastern Madagascar Baseline Household Survey Report, based on GCF project FP026 Sustainable Landscapes in Eastern Madagascar. The LORTA synthesis report, reports from two baseline studies and one end-line impact assessment will be submitted to the Board in 2021. A paper on learning from the LORTA program was also published in a special edition of the World Development Journal, a leading international development journal.<sup>5</sup>
- (b) **Advisory services, learning and capacity strengthening**
- (i) **LORTA advisory services and capacity building support:** In its third year, the LORTA programme continues to embed real-time impact evaluations into funded projects so GCF project task managers can access accurate data on the programme's quality. Due to COVID-19 concerns, a capacity-building LORTA design workshop scheduled for May is now scheduled for September/October and will be delivered on-line using virtual technologies. Eighty participants from 16 GCF-funded projects and 20 different countries are undertaking the workshop.

<sup>4</sup> <https://ieugreenclimatefund/evaluations/adaptation>

<sup>5</sup> [https://ieugreenclimatefund/documents/977793/985626/Paper\\_-\\_Jo\\_Puri\\_et\\_al\\_-\\_Good\\_will\\_hunting\\_Challenges\\_of\\_theory-based\\_impact\\_evaluations\\_for\\_climate\\_investments\\_in\\_a\\_multilateral\\_setting.pdf/](https://ieugreenclimatefund/documents/977793/985626/Paper_-_Jo_Puri_et_al_-_Good_will_hunting_Challenges_of_theory-based_impact_evaluations_for_climate_investments_in_a_multilateral_setting.pdf/)

- (ii) **IEU Lunch Talks:** Despite COVID-19 preventing in-person lunch talks, the IEU continues to deliver this important advisory and outreach activity through virtual talks and on-line webinars. Post COVID-19, the IEU envisions virtual talks as a companion to its traditional lunch talks, offering a new learning opportunity for those unable to travel to Songdo. Lunch talks attract upwards of 40 people, mostly GCF staff, while IEU's virtual talks attract audiences of about 120.<sup>6</sup>
  - (iii) **Engagement, learning and capacity building:** COVID-19 travel restrictions prevented IEU staff from attending key international events to give keynote addresses, participate in international discussions, or facilitate capacity building. IEU addressed this by using an array of video conferencing technologies to engage with partners and stakeholders and participate in learning and capacity building activities.
  - (iv) **Webinars:** The IEU has conducted more than a dozen webinars this year. Audiences included representatives from the Secretariat, the IUs, the Board, the Accreditation Panel, civil society, the private sector, accredited entities, research organizations, and multilateral organizations. Webinars provided participants with an overview of the progress and/or findings of all current IEU evaluations.
  - (v) **IEU side-events at GCF Board meetings:** At B.25 in Geneva, the IEU presented one side event aimed at policymakers and interested parties. The event provided an overview of key findings and recommendation from the IEU's assessment of the GCF's Environmental and Social Safeguard (ESS) and GCF's country ownership approach. The side event attracted members of civil society, private sector and AEs. For B.26, the IEU organized special webinars on the rapid assessment of the Simplified Approval Process (SAP) and the independent synthesis of the GCF accreditation function.
  - (vi) **Develop and socialize the GCF evaluation policy:** At B.24 the Board confirmed that the evaluation policy is a GCF-wide policy that guides the Board, the Secretariat, the IEU, other independent units, accredited entities and national designated authorities/focal points. It also confirmed that the IEU and the Secretariat would jointly clarify and delineate the roles, responsibilities and accountabilities in the Evaluation Policy. The IEU fulfilled the Board's request to present a set of detailed guidelines for the operation of the unit for consideration by the Board at B.25. Based on advice from the Co-Chairs, the policy will be presented for discussion to the Board again later this year.<sup>7</sup>
- (c) **Learning and building partnerships**
- (i) **Learning and partnerships:** The IEU takes its mandate to foster institutional learning within the GCF and enhance the knowledge capacity of stakeholders and national partners seriously. Communications, learning papers, and evidence reviews are all important tools in fulfilling this role. A few notable achievements include: a paper by IEU members was awarded the 'best paper' in the climate finance category at Climate 2020, an online conference organized by the Hamburg University of Applied Sciences; publication of a paper in the journal World Development; and completion of a paper on climate impact bonds for the Global Handbook of Impact Investing. Equally important is fostering partnerships with like-minded institutions to foster learning, exchange ideas and collaborate where possible on evaluation activities. The IEU established

<sup>6</sup> <https://ieu.greenclimate.fund/ieu-talks>

<sup>7</sup> The policy has been presented to the Board previously at B.24.

partnerships with Women Organizing for Change in Agriculture and Natural Resource Management and Busara Center for Behavioral Economics Inc.

- (ii) **Evidence reviews:** The IEU's evidence reviews are a systematic collation of global evidence on topics that are relevant to the GCF. Its compilation of evidence reviews is based on a protocol guided structured literature search. The reviews appraise the quality of evidence and illustrate the evidence base in an easy-to-understand manner such as through evidence gap maps. The IEU's work on evidence reviews in 2020 includes studies on climate change adaptation in developing countries and GCF climate finance flows across adaptation interventions and outcomes.<sup>8</sup> The IEU is currently conducting evidence reviews on transformational change<sup>9</sup>, on private sector interventions in mitigation<sup>10</sup>, and on results-based payments.<sup>11</sup>

(d) **Communication and uptake**

- (i) **Overview of major communication and uptake products:** The IEU communications and uptake workstream produces a large volume and variety of material to help ensure uptake of the findings in the IEU's evaluations. A shortlist of these formats include final evaluation reports, evaluation executive summaries, evaluation approach papers, evaluation briefs, evidence trees, blogs, op-eds and articles in the mass media, social media platforms, side events at key fora, webinars, lunch talks, videos, website articles, and press releases, among others.

More than 70 videos and video-related products are now available on the [IEU's YouTube page](#).<sup>12</sup> The IEU published three op-eds, and an article about the IEU and GCF appeared in the Korean media by the IEU. An interview with Dr. Puri, the Head of the IEU, was published in the Korean Herald.<sup>13</sup> Other examples include publishing an opinion piece in online newspaper, Live Mint, six blogs on online publishing platform, Medium.com, and an interview on the Global Landscape Forum discussion page.

- (ii) **IEU website analytics:** For the 12 months ending June 1, 2020, the IEU website had 34,960 visits. Of this figure, 83 per cent were new visitors. Visitors predominantly came from the US (18.60 per cent), South Korea (17.97 per cent), United Kingdom (5.87 per cent), Germany (5.59 per cent), and India (4.45 per cent). The IEU will increasingly develop its analytic capacity to track the IEU's digital outreach materials.

(e) **Strengthening the IEU**

- (i) **Staffing:** Since the beginning of 2020, the IEU has recruited a Communications and Editing Associate and an IEU Executive Assistant to the Head of IEU. It is currently hiring an Impact Evaluation Associate and Team Assistant. The IEU has also recruited several interns to work in areas such as evidence reviews, communications and uptake, LORTA, accreditation synthesis, the DataLab and the BadLab (see below). The IEU is also looking to strengthen its foreign language capacity by hiring foreign language consultant editors skilled in French, Spanish and Arabic. The IEU is also looking to publish materials in Korean.

<sup>8</sup> <https://ieugreenclimate.fund/er-adaptation>

<sup>9</sup> <https://ieugreenclimate.fund/evidence-review-on-transformational-change>

<sup>10</sup> <https://ieugreenclimate.fund/er-private-sector-investments-mitigation>

<sup>11</sup> <https://ieugreenclimate.fund/er-results-based-payments>

<sup>12</sup> <https://www.youtube.com/channel/UC00Tb189SV7n3n4CzbwmXRg/>

<sup>13</sup> <https://ieugreenclimate.fund/news/new-private-investor-engagement-key-to-climate-resilient-world>



- (ii) **Establishment of the BaDLab:** The IEU has re-organized its DataLab to include the Behaviour and Design Lab (BaDLab). It applies insights from behavioural science to the IEU's evaluation work. Its objective is to assess how behavioural analysis and interventions can improve GCF procedures and projects by identifying common barriers to action by participants, looking at best practice in this field, and leveraging expertise through partnerships with leading actors.
  - (iii) **Training and capacity-strengthening within the IEU:** In June, several IEU team members commenced a rigorous 10-week, part-time online course with the Busara Centre for Behavioural Economics. The course will build the IEU's understanding of how behaviour affects climate-related decisions and thus strengthen its evaluation work. The IEU team members also underwent a two-day training on qualitative and mixed methods for evidence synthesis. The IEU weekly team meeting regularly hosts informal training presentations. Topics covered include an introduction to the IEU BaDLab, an overview of the IEU style guide and final report template, and an introduction to the evidence review on adaptation.
  - (iv) **Embedding IEU data and communication focal points in evaluation teams:** Integrated within an evaluation, the focal points focus on real-time communication and data support, ranging from assistance with writing and editing reports, through to identifying key audiences, messages and mediums to ensure better uptake of evaluation findings.
  - (v) **A new micro-website:** The IEU micro-website is currently being upgraded. The new site will assist visitors better navigate the IEU's ever-growing stock of materials on climate change evaluations. It will also help IEU staff keep track of materials, information and documents relevant to their own IEU work, as well as providing them with an outlet to post blogs and articles.
  - (vi) **IEU Evaluation team meetings:** The IEU holds weekly evaluation meetings to mutually exchange views and discuss ongoing IEU evaluations, share experiences and discuss emerging findings and new evaluation techniques. These meetings strengthen the IEU's internal communication, learning and capacity-building. Importantly, the sharing of information leads to more insightful and fit-for-purpose evaluations.
- (f) An expenditure report for the IEU's budget is presented in Table 2. In August 2020, the IEU was 61 per cent committed & disbursed, while taking into account the commitments for the rest of the year. The IEU expects to be 85 per cent disbursed by the end of the year.

## 1.2 IEU's 2021 Work Plan

3. This section discusses the IEU's work plan for 2021. All activities are consistent with the IEU's approved three-year rolling work plan (see annex III).

### IEU Objective I: Building and strengthening the IEU

4. **Staffing the IEU:** In 2021, the IEU will undertake five evaluations including the Second Performance Review (SPR) of the GCF, subject to the budget approval for the SPR at B.28 (see Table 6). This will represent an increased workload over previous years, especially in terms of data, synthesis, analysis, and management. In 2021, the IEU will add three additional positions in Songdo and will convert two consultant position to staff. As also presented to the Board at the

end of 2021, the IEU is expected to have 22 staff members of varied experience and expertise. The IEU is also on track to stabilize team strength in the following two years.

5. The IEU will continue to be supported by short-term consultants and longer-term HQ based consultants. Short-term consultants provide thematic and sector expertise to IEU's evaluations. Longer-term consultants are required to support the IEU's data-related needs. This has emerged as an essential part of making IEU evaluations robust and cutting edge. In 2021, the IEU will reduce the number of consultants by two and will have eight long-term consultants. Over time, this number will continue to reduce (see Table 5).

6. **Internal capacity development:** According to its mandate, the IEU is expected to push the frontiers of climate evaluation. This requires the IEU to build its own capacities which in turn equip the team with tools and methods to undertake capacity building externally. In 2021, this will comprise two key areas. Firstly, the IEU will develop a checklist for evaluations, quality assurance, and standard operating procedures. As the IEU team continues to mature, these checklists will serve an essential function for institutional memory and provide standards for IEU's own outputs. On a related note, subject to the adoption of GCF Evaluation Policy, the IEU expects to develop standards for GCF evaluations, based on the IEU's evaluation criteria outlined in the Board-approved TOR of the IEU. Secondly, the IEU will continue to build its own capacities through training in methods, communications, evaluations and science. While some training will be provided to individual members of the IEU, others will be provided to sub-teams or the entire team, depending on the needs and specialization. The IEU uses a train-the-trainer model for internal learning.

7. **Professional development of staff and staff travel:** All IEU team will be expected to attend international evaluation meetings, where their proposed presentations have been accepted. Also, members of the IEU will participate in panels and deliver lectures to international meetings and fora. This is important for the intellectual growth of the team. It allows the team to learn, inform and be informed by global developments in the climate space and interact and provide services to its key partners including independent evaluation offices of accredited entities. Staff travel is also expected for the evaluations the IEU undertakes (see below). However, in light of Covid-19, travel will only resume in 2021 when pandemic related travel guidelines allow. Accordingly, the travel budget is adjusted.

8. **Other costs: The IEU will be expected to pay third-party costs related to ICT, utilities & supplies, insurance, depreciation and security.** It is anticipated that, in the longer term, the IEU and the Secretariat will draw up a service agreement to reflect the costs and services provided to the IEU. One concern for the IEU is its lack of office space. This is exacerbated by the need for Covid-19 related social distancing. Currently, it is no longer possible to provide conducive working spaces with appropriate social distancing for IEU staff, HQ based consultants and interns. The IEU has requested the Secretariat's support in dealing with this.

9. **Team Culture:** In light of the global pandemic and increasing workloads faced by the team, the IEU has been careful to continue to support its team in the development of a culture that supports personal growth and provides a positive work environment. The staff of the IEU will be subject to the Code of Conduct of Staff, as stated in the TOR of the IEU.<sup>14</sup> As stated in the three-year rolling workplan (Annex III), the IEU is building internal modularity and capacity to deal with routine events such as staff turnover, but also unexpected events such as a pandemic. Further to this, the IEU will include in its 2021 workplan a retreat for team building and other team requisites. The IEU will also follow the GCF guidelines, including those on procurement, HR and grievance. In addition, the IEU has expanded at a reasonable rate, which leads to the development of sustainable team culture.

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<sup>14</sup> Decision B.06/09 Annex III: Terms of reference of the Independent Evaluation Unit

## IEU Objective II: Evaluations

10. As agreed in its three-year rolling work plan, the IEU will commence **five evaluations in 2021** and will deliver them in a phased manner for Board consideration. Importantly the IEU will initiate the Second Performance Review in 2021, subject to the budget approval at B.28. The purpose of these evaluations will be to support the Board by providing it with credible evaluation evidence on the performance of the Fund and to ensure that the Fund is learning in real-time. The five evaluations include (i) independent evaluation of the effectiveness of the GCF investments in the LDCs, (ii) evaluation of the GCF Request for Proposal (RfP) pilot programmes, (iii) independent evaluation of the GCF approach to the private sector, and (iv) a continuation of its multi-year evaluation of project investments through the LORTA programme and (v) the first phase of the second performance review (SPR) of the GCF. The IEU will deliver these evaluations sequentially to the Board through 2021 and 2022. The key messages of the SPR will be delivered at the end of 2022 and the full report will be delivered in early 2023 so that it aligns with the end of GCF-1 period.

11. **An independent evaluation of the effectiveness of GCF investments in least developed countries (LDCs):** LDCs are responsible for small additions to the overall GHGs stock globally but experience disproportionate impacts of its consequences. The Governing Instrument (GI) of the GCF recognizes the urgent and immediate needs of particularly vulnerable countries, including the LDCs, and requests the Board to consider these needs in using minimum allocation floors. Among other activities, the GI further requests the GCF to finance technology development and transfer (including carbon capture and storage), capacity-building and the preparation of national reports by developing countries. The portfolio of the GCF in the LDCs (as of March 2020) was USD 1.5 billion, which is 26 per cent of the GCF global portfolio. Arguably, given its first project approval was in 2015, this portfolio can be expected to have reached maturity in terms of operation and scale since the first project approval in 2015. The evaluation will ask whether the GCF approaches and investments have been effective in reducing the vulnerability of local communities and their local livelihoods to the effects of climate change, and whether these impacts are likely to be sustained. In particular, the evaluation will take into account consider the effectiveness and efficiency of the GCF approaches and investments and identify the actual and likelihood of impacts on livelihoods and local communities.

12. This evaluation is part of a concerted effort by the IEU's aim to examine the relevance and effectiveness of GCF strategy and investments in vulnerable countries, including SIDS, LDCs and African states. An independent evaluation of the effectiveness of GCF investments in the SIDS is expected to be submitted to the Board in 2020. The evaluation will be delivered by the **end of 2021 and will be presented to the Board at the first meeting of 2022.**

13. **A rapid assessment of GCF Request for Proposal (RfP) programme:** In addition to the FP process, the GCF has developed two options for accessing the GCF: RfPs and the simplified approval process (SAP). A rapid assessment of the SAP was undertaken by the IEU and submitted to the Board at B.26. The RfP modality is a key access instrument, in particular to mobilize the private sector. The GCF has four RfPs so far (Mobilizing Funds for Scale (MFS); Results based payments (RBPs); Medium and small-scale enterprises (MSMEs) and Enhanced Direct Access (EDA)). In decision B.10/11, the Board noted that the use of RfPs is complementary and not a substitute for spontaneous FPs. According to the status of the GCF pipeline (B.24/Inf.05), of the USD 1.3 billion allocated for RfPs, USD 265 million had been allocated as of 31 August 2019. An independent and rapid assessment of this modality will examine the efficiency and effectiveness of the RfP programmes, including the four pilots. This evaluation will be delivered to the Board **in June 2021.**

14. **Independent evaluation of the GCF approach to private sector:** The GI provides that the GCF will, directly and indirectly, finance private sector mitigation and adaptation activities.

It further requests the GCF to catalyze private finance at international and national levels. This is based on the premise that climate crisis cannot be addressed through public finance alone. Compared to other multilateral climate finance funds, the GCF has the most flexible financial instruments as well as a relatively large size. The GCF portfolio includes 26 private sector projects (as of March 2020) with GCF financing of USD 1.9 billion. Learning from previous IEU evaluative and learning work has shown that the GCF continues to face challenges in attracting and involving the private sector, particularly in adaptation. In the area of mitigation, the GCF is a relatively small and modest actor. This evaluation will examine the approach of the GCF to involving and mobilizing the private sector. Considering the GCF investments made in GCF initial resource mobilization period as well as GCF-1, the evaluation will assess the relevance, effectiveness and efficiency of the approach of the GCF towards the private sector. This evaluation will be delivered by the final Board meeting in 2021.

15. **Learning-oriented real-time impact assessment (LORTA) programme:** In its fourth year, LORTA will continue to expand into areas and countries where the GCF has investments. The IEU is currently working with a total of 12 GCF projects to help them set up independent baselines and real-time measurement systems. Analyses of these data are being undertaken by project teams along with IEU experts. In 2021, the IEU will continue to work closely with its partners including the Secretariat and Accredited Entities and select another group of projects for LORTA related technical assistance and measurement support. To recap, LORTA aims to build capacity and mechanisms for measuring the causal impacts of GCF investments. This technical assistance program aims to support approved GCF projects build independent, high quality and useful baseline data, support real-time learning on the likelihood of impacts and measure the causal impact of GCF investments. LORTA provides the framework for evidence-based learning and knowledge at the project level. LORTA will produce three baseline reports and one impact evaluation report in 2021. The document 'synthesis' will also contain the designs for the overall projects. To support this work, IEU will also engage one econometrician and one impact evaluation specialist consultant.

16. **Second Performance Review of the Green Climate Fund:** Finally, but importantly, the IEU will launch the second performance review (SPR) of the GCF in 2021, subject to budget approval. The IEU has been mandated to undertake periodic performance assessment of the Fund. In 2019, the IEU delivered the first FPR of the GCF, which covered the initial resource mobilization period of the GCF and informed its first replenishment. In 2021, the IEU will initiate the SPR to independently assess GCF's performance during GCF-1 and to inform its second replenishment. The SPR will assess GCF's progress in delivering its mandate as set out in the GI and during its first replenishment period. In particular, it will examine the institutional architecture and performance; the quality of implementation and effectiveness and performance of the portfolio; cost-effectiveness of implementation, including an assessment of impact; coherence and complementarity of the GCF approach within the climate finance landscape and particularly the extent to which the GCF's investments and strategies incorporate gender considerations. It will also examine GCF's various financial instruments and modalities for their likely effectiveness and efficiency and constructively layout any gaps that may be addressed in the GCF's strategy. The evaluation will also be informed by a synthesis of previous IEU evaluations (including country ownership, the ESS evaluation, the independent review of SAP and the independent synthesis of the accreditation function as well as those undertaken in 2021) and global evidence reviews. Subject to budget approval at B.28, this large evaluation will launch in 2021 and will be completed, in line with the Board workplan, at the end of 2022.

### **IEU Objective III: Capacity building and advisory services**

17. **Evidence reviews:** The IEU consolidates and summarizes existing knowledge on climate-related topics. These evidence reviews help the IEU to learn from the experience of other institutions and sectors. Such reviews typically include evidence gap maps and systematic

reviews. Evidence reviews also contribute to building and delivering evaluation-based learning and capacity strengthening in the GCF by offering state-of-the-art overviews that reflect international best practice. The IEU has completed two evidence reviews to date: the first on the effectiveness of forestry conservation interventions, and the second on climate change adaptation.

18. The IEU will undertake two evidence reviews in 2021. One will focus on the degree to which climate investments relating to both mitigation and adaptation projects have, intentionally or unintentionally, led to impacts that can be disaggregated along gender lines. The second review will focus on behavioural interventions and incentive schemes within environmental and development fields in developing countries. In 2021, the IEU will disseminate the findings of the three evidence reviews that were taking place in 2020: one on transformational change in the energy sector concerning behaviour change and public health; one on private sector investments in mitigation; and one on results-based payments.

19. **LORTA based advice is being provided in terms of designs, indicators, baseline data collection methods and analyses.** The IEU has hosted several capacity-building workshops for the measurement of GCF results and will continue to do this in 2021. The workshops have taken the form of customized trainings for AEs, project staff, GCF Secretariat and other global experts. The IEU will continue to develop cutting edge methods and papers to advance the frontiers of measurement of impact. In light of COVID-19, the IEU will focus on the development of online training modules that can be used to support capacity building. Also, the IEU will continue to engage with climate and evaluation communities through meetings, keynote lectures, attendance at workshops and seminars to push for the GCF and IEU agendas.

20. **Advice, delivery and methods papers:** A key requirement for the IEU is ensuring that it is exploring the state-of-the-art methods. In 2020, it is considering innovative methods in its evidence reviews for result-based payments, private sector and transformational change. In 2021 it will work on new methods papers, including on machine learning and on incorporating behavioural science methods into practice. The latter paper will look at ‘last-mile’ challenges by assessing how behavioural analysis and interventions can improve GCF procedures and projects, and how interventions can be structured to increase the likelihood that ‘intentions to act’ will be realized.

#### **IEU Objective IV: Uptake, communications and partnerships**

21. The IEU has been highly active not only in evaluations but also in producing learning papers and working papers. The IEU’s communication and uptake workstream will ensure that the IEU’s data and evidence rich evaluations, capacity building and learning works are packaged and disseminated in various ways to ensure effective outreach, engagement and uptake. For this, the workstream focuses on core processes: website development and management, design, editing and translations, event management, and engagement with GCF and other stakeholders.

22. In 2021, the IEU will further strengthen its outreach, communication and uptake practices. The IEU’s communications and uptake workstream acts as a knowledge broker between evaluators, the GCF ecosystem and the broader climate finance landscape. This workstream will enhance the IEU’s position through external events, virtual and in-person talk, building relationships with key actors, an upgraded website, development of content for easy uptake across a variety of platforms, IEU podcasts, video and social media channels, and engagement with a diverse set of partners. With the IEU’s role as an evidence, knowledge and learning manager and broker, the IEU will continue to engage with internationally well-renowned experts and further strengthen existing partnerships for its learning work and capacity building. The communication and uptake workstream will continue to support the IEU’s partnerships, engagement, publications and media relations. It will continue to produce



monthly e-newsletters (*What's New with the IEU?*), the IEU's quarterly activity reports and its annual report.<sup>15</sup>

### 1.3 IEU's Budget for 2021

23. **The IEU's overall budget for 2021 is presented in Table 1-1.** Output-based budgets (and excluding the budget for the SPR) are presented in Tables 1-2 to 1-5. The timeline for delivering its outputs is indicated in Table 3. The IEU's requested budget in 2021 represents a modest 5.9 per cent increase over its 2020 budget. Most of this increase is accounted for by an 8.1 per cent increase in cost of human resources. Consultant costs and other operating costs on the other hand are reducing significantly (14 per cent and 78 per cent respectively). The proposed increase is very modest considering the expansion of IEU's workload as the GCF's portfolio grows as well as the inflation rate for 2021. The cost of travel has decreased (assuming travel will not resume until part way through 2021), while there is a small increase in professional services (an increase of 4.0 per cent). There is more than a 14 per cent reduction in the IEU's consultancy budget. This budget is planned in two stages, with a core budget of USD 5.912 million and an additional budgetary request to be made in 2021. Considering the core budget, the increase in the IEU budget is 5.9 per cent over 2020.

24. **The IEU's overall proposed budget is modest compared to the overall programmatic budget of the GCF.** Assuming that the GCF commits an average of US \$ 2.5 billion annually, the IEU's budget represents 0.23 per cent of the overall annual programmatic budget of the GCF. It is also important to note that this is well within the proposed percentage that the United Nations Evaluation Group recommends for organizations, namely, that institutions aim to invest at least 1-2 per cent of their committed budgets annually.

25. Going forward, in 2022 and 2023, it is expected that the IEU's budget will increase. This is warranted because for several reasons: First, the GCF's portfolio is growing. This means that for every evaluation, the IEU's work is growing in a proportionate way (the 'width' of the evaluation is increasing). Indeed, as is best practice globally, evaluation office budgets are linked with the commitment and portfolio size of the GCF (see for example Table 3). Second, the IEU is young - most of its team has been with the IEU for less than two years and nearly half the team has been with the IEU for less than 12 months. The IEU has set itself a growth trajectory of three years, as noted in previous plans, and this will represent the third year of growth. It is assumed the IEU will stabilize its team size in 2022 (see Table 5). Third, the team size and budget are warranted for the workplan that has been requested and approved by the Board as part of IEU's approved rolling three-year workplan. The IEU is planning for five evaluations while also initiating the Second Performance Review of the GCF in 2021 (subject to budget approval at B.28), which is higher than the number it has delivered previously. Fourth, compared to other similar organizations, the IEU's budget remains the least compared to other independent evaluation offices (see for example Table 3).

26. It is important to note that in 2021, the IEU's overall budget contains a line on ICT and utilities that will contribute to an increase in the unit's operating cost budget. If the charge by the Secretariat were NOT included, the IEU budget will change only by 3.4%. The cost allocation to IEU is increased by USD 149K which is a 67% increase over the last year.<sup>16</sup> The IEU is moving, as advised by the Board, from using consultants to work being undertaken by its Songdo team (a

<sup>15</sup> <https://ieu.greenclimate.fund/about-the-ieu/newsletter-and-annual-report>

<sup>16</sup> Of this increase, 48 per cent (USD 72K) relates to additional costs such as utilities, insurance and security, that were included as part of step wise approach to add additional cost elements to IUs' budgets. Approximately 14 per cent (USD 20K) of the increase relates to ICT costs due to a change in the IEU's staffing level, while the balance of 35 per cent (USD 52K) relates to increase in the ICT cost mainly due to increased ICT support, additional ICT tools and software and more precise ICT calculations for determining the usage and allocation of costs more appropriately to the IUs.

decrease by 14.2 per cent). As the IEU undertakes evaluations, it is clear that there will always be a need for outside expertise so that the IEU is able to stay on top of its practice and methods in different thematic areas. For the IEU's workplan to be delivered in a sustainable manner, the IEU needs to build the capacity of its team.

27. It is also important to note that the modest increase in staff costs (8.1 per cent) reflects increasing efforts towards building a cohesive team with a well-developed vision on roles and responsibilities. The IEU can now deploy its consultancies, that in early years provided the IEU with necessary flexibility and the possibility for experimentation, to a more structured and firm vision for the unit. In 2021 the IEU will aim to have 22 staff members (consisting of professional, research and administrative staff), interns and fewer consultants (see Table 5). These include four researcher/analyst positions (at the AS level), one implementation science analyst and one evaluation specialist (both at the IS2/3 level).

28. **Expenditure as of August 2020:** As Table 2 shows, as of 30 August 2020, the IEU committed and expended 61 per cent on its annual budget and expects to be 85 per cent spent by the end of the year after accounting for outages because of COVID-19. This indicates that the IEU's overall estimates of its needs are extremely well informed.

**Table 1-1: The IEU's proposed budget for 2021 in United States dollars (USD)**

Items	2020 budget	2021 budget	Increase (amount)	Increase (%)
<b>Staff Costs</b>				
Full-time Staff	2,649,897	3,015,569	365,672	13.8
Consultants	678,160	582,200	-95,960	-14.2
<b>Sub-total</b>	<b>3,328,057</b>	<b>3,597,769</b>	<b>269,712</b>	<b>8.1</b>
<b>Travel</b>				
General	375,228	218,915	-156,313	-41.7
<b>Contractual services</b>				
Legal and Professional Services	1,540,000	1,678,000	138,000	9.0
Other operating costs	117,000	47,000	-70,000	-59.8
<b>Sub-total</b>	<b>1,657,000</b>	<b>1,725,000</b>	<b>68,000</b>	<b>4</b>
<b>Grand total (1)</b>	<b>5,360,285</b>	<b>5,541,684</b>	<b>181,399</b>	<b>3.4</b>
<b>Shared cost allocation (2)</b>				
Shared cost allocation	221,700	370,889	149,189	67.3
<b>Grand Total (1+2)</b>	<b>5,581,985</b>	<b>5,912,573</b>	<b>330,588</b>	<b>5.9</b>

**Table 1-2: IEU budget for 2021, Objective One (Evaluations) in USD**

<b>Evaluations</b>	<b>2,764,340</b>
Full-time Staff	1,147,846
Consultants	198,880
Travel	87,614
Professional Services	1,308,000
Other Operating Costs	22,000

**Table 1-3: IEU Output budget for 2021, Objective Two (Advisory services and capacity), in USD**

<b>Evidence based advisory services, learning and capacity strengthening</b>	<b>1,466,060</b>
Full-time Staff	921,129
Consultants	194,020
Travel	60,911
Professional Services	290,000
Other Operating Costs	-



**Table 1-4: IEU Output budget for 2021, Objective Three (Communications, Uptake and Partnerships), in USD**

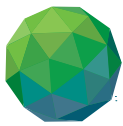
<b>Communications, Uptake and partnerships</b>	<b>815,674</b>
Full-time Staff	638,884
Consultants	143,400
Travel	33,390
Professional Services	-
Other Operating Costs	-

**Table 1-5: IEU Output budget for 2021, Objective Four (Building the IEU), in USD**

<b>Building the IEU</b>	<b>876,498</b>
Full-time Staff	307,710
Consultants	45,900
Travel	37,000
Professional Services	90,000
Other Operating Costs	395,888

**Table 1-7: Secretariat Cost Allocation for 2021 (USD)**

<b>Description</b>	<b>Annual charge to the IEU</b>
ICT	298,710
Utilities & supplies	36,115
Depreciation	24,379
International SOS	5,709
Miscellaneous	5,975
<b>Total</b>	<b>370,889</b>



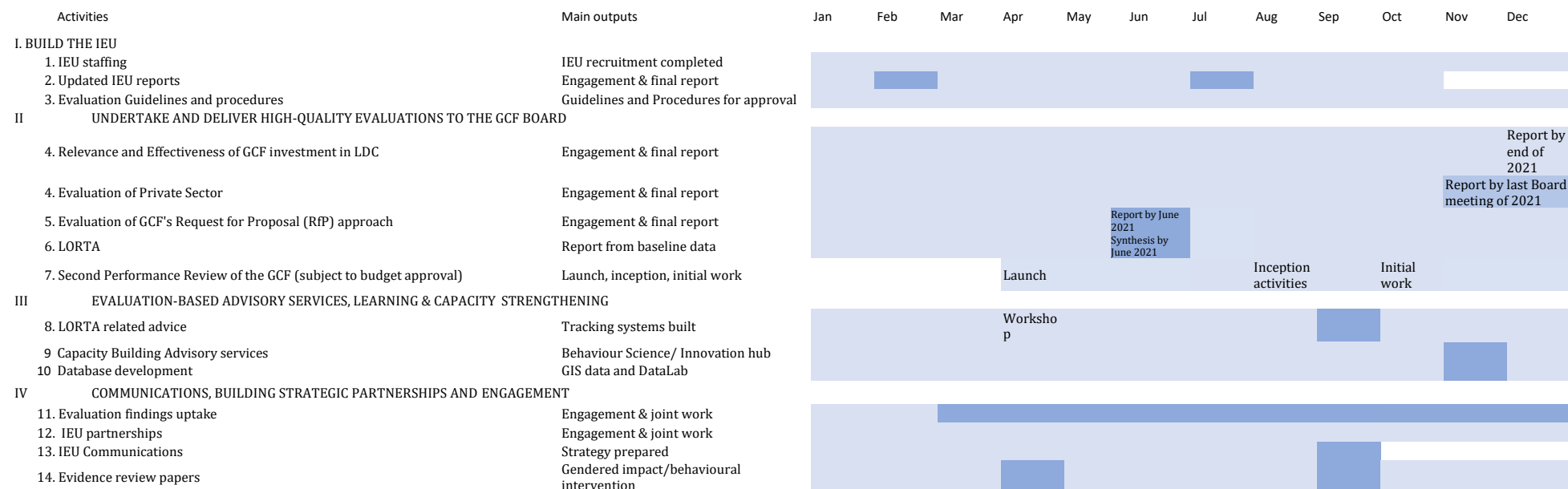
**Table 2: IEU's budget and spend for 2020 in United States dollars (USD)  
(as of 30 August 2020)**

Items	2020 Budget (1)	Actual spent (2)	Committed amounts as of June 2020. (3)	Sub-total (4)= [2+3]	% [4] as a percenta ge of [1]	Remaining Budget [1-4]
Staff Costs						
<b>Full-time Staff</b>	2,649,897	1,366,211		1,366,211	52%	1,283,686
<b>Consultants</b>	678,160	482,680	359,566	842,246	124%	-164,086
Sub-total	<b>3,328,057</b>	<b>1,848,891</b>	<b>359,566</b>	<b>2,208,457</b>	<b>66%</b>	<b>1,119,600</b>
<b>Travel</b>	375,228	64,914	14,402	79,316	21%	295,912
Professional services						
<b>Legal and professional services</b>	1,540,000	235,018	778,999	1,014,159	66%	525,983
<b>Operating Costs</b>	338,700	99,563		99,563	29%	239,137
Sub-total	<b>1,878,700</b>	<b>334,541</b>	<b>778,999</b>	<b>1,113,580</b>	<b>59%</b>	<b>765,120</b>
Grand TOTAL	<b>5,581,985</b>	<b>2,250,665</b>	<b>1,150,688</b>	<b>3,401,353</b>	<b>61%</b>	<b>2,180,632</b>

**Table 3: Annual budgets of other independent evaluation offices in 2020**

	<b>UNDP IEO</b>	<b>WFP IEO</b>	<b>GEF IEO</b>	<b>IFAD OEV</b>	<b>WBG IEG</b>	<b>GCF IEU</b>
<b>ANNUAL BUDGET (USD)</b>	In 2020, USD <a href="#">10.5 million</a>	In 2020, USD <a href="#">19.42 million</a>	In 2020, USD <a href="#">6.2 million</a>	In 2020, USD <a href="#">6.1 million</a>	In 2020, USD <a href="#">38.9 million</a>	Proposed USD 5.77 million FY2021 (including secretariat's cost allocation).
<b>BUDGET RELATED RULES</b>	In total, the budget for the evaluation function should reach 1%. IEO budget should not be less than 0.2% of combined programmatic (core, non-core) resources.	The WFP has the target of allocating 0.8% of its total contribution income to the evaluation function.	It corresponds to 22% of the overall annual operational budget or 0.5% of the GEF's annual financial work plan (excludes monitoring).	It corresponds to 0.6% of program loans and grants and it is capped at 0.9%.	Determined on the basis of the World Bank work plan, at about 1% or below the Net Administrative BB Budget for all three institutions (WB, IFC, and MIGA).	0.23% of GCF's average programme budget.

**Table 4: Time plan for deliverables, IEU budget and work plan for 2021**



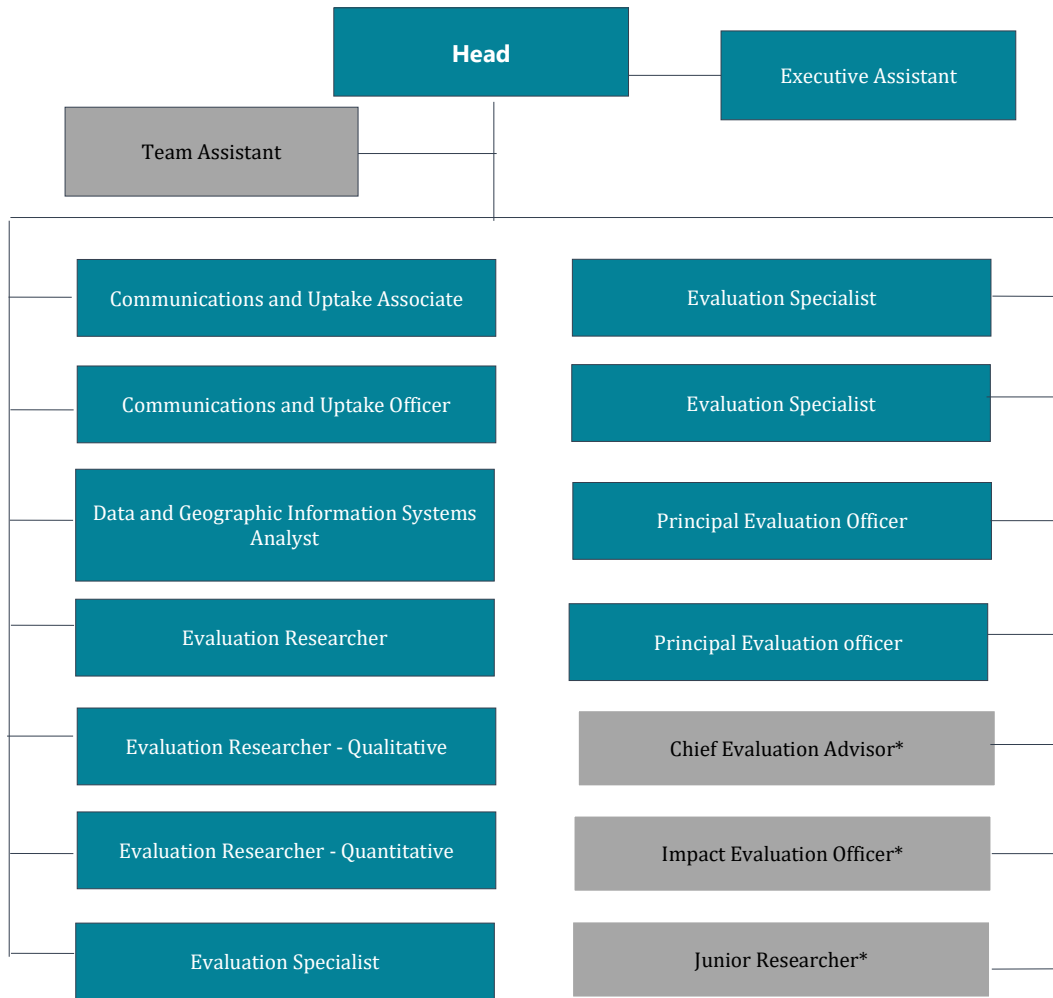
**Table 5: IEU Approved and Proposed staffing schedule (2019-2022)**

IEU	2019	2020	2021* (indicative)	2022* (indicative)
<b>Staff (professional and administrative)</b>	13	17	22	25
<b>HQ Consultants</b>	11	10	8	5
<b>Interns</b>	5	4-5	5	5

**Table 6: Evaluations submitted by the IEU (2019-2020)**

<b>YEAR</b>	<b>EVALUATIONS SUBMITTED TO THE GCF BOARD</b>	<b>MANAGEMENT RESPONSES</b>
<b>2019</b>	1. Independent assessment of the GCF's Results Framework system (B.22)	<ul style="list-style-type: none"> <li>• Management response at B.22</li> </ul>
	2. Independent evaluation of the GCF's Readiness and Preparatory Support Programme (B.22)	<ul style="list-style-type: none"> <li>• Management response at B.22</li> <li>• Readiness strategy presented at B.22</li> </ul>
	3. The Forward-Looking performance review of the GCF (B.23)	<ul style="list-style-type: none"> <li>• Management response at B.24</li> </ul>
	4. Independent evaluation of the Country ownership of the GCF (B.24)	<ul style="list-style-type: none"> <li>• Management response to be presented with the evaluation report</li> </ul>
<b>2020</b>	1. Independent assessment of the Environmental and social safeguards system of the GCF (B.25)	<ul style="list-style-type: none"> <li>• Management response to be presented with the evaluation report</li> </ul>
	2. Learning oriented real-time impact assessment (Six baseline reports) (B.27)	
	3. An independent assessment of the GCF's adaptation related investments (B.28)	<ul style="list-style-type: none"> <li>• B.28</li> </ul>
	4. Independent evaluation of the relevance and effectiveness of the GCF in the small island developing states (SIDS) (B.27)	<ul style="list-style-type: none"> <li>• B.27</li> </ul>
	5. An independent synthesis of GCF's accreditation function (B.26)	<ul style="list-style-type: none"> <li>• Management response to be presented with the evaluation report at B.26.</li> </ul>
	6. Rapid assessment of the GCF's Simplified Approval Process (B.26).	<ul style="list-style-type: none"> <li>• Management response to be presented with the evaluation report at B.26.</li> </ul>

**Figure 1: Organigram of IEU as of 1 October 2020**



*\*Positions under recruitment/ vacant.  
Positions are in alphabetical order. In 2021, the following positions are expected: four researcher/analyst positions, implementation science analyst and evaluation specialist.*

## Annex III: IEU's Three-Year Rolling workplan and Objectives (2018-2021)

### The IEU's Three-Year Objectives and Work Plan

1. Following the decision by the Board, this annex presents modifications as necessary, of the IEU's rolling three-year work plan and budget. Since the presentation of the evaluation policy of the Fund has been postponed to B.22, there are no major modifications to the three-year work plan and budget.<sup>1</sup> Some minor changes in the three-year work plan are noted as follows:

(a) Modification: the modifications in this three-year rolling workplan relate to building of systems for stability. Particularly through the Covid-19 pandemic, the IEU has built 'capacity' and 'modularity' in its structures – developing standard operating procedures, back up capacity amongst personnel and processes for quality assurance of every output. Further, the changes reflect a sense of growing intellectual capital, which will allow the IEU to serve its mandate. These are the result of the institutional experience that the team is beginning to amass, and the modifications reflect the plans to ossify these institutional measures. New elements in the rolling workplan for 2018-21 are as follows:

- [Under 1a] The IEU will build 'modularity' and 'capacity' in staffing to account for routine events such as staff turnover, but also unexpected events such as a pandemic. This will be operationalized in new workplans starting 2021.
- [Under 2a] All IEU evaluations will comprise three streams: data/ science, communications, and advisory. This will allow all IEU evaluations to be utilization focused, and relevant. They will provide credible evidence to the Board of the GCF.
- [Under 2a] IEU evaluations will also strive for external validity, identify 'what could work', and assess measures of cost-effectiveness (recalling that climate finance is limited).
- [Under 2c] The IEU will review the implementation of recommendations made in the independent evaluations.
- [Under 2c] In 2020, the IEU will support all approved projects under LORTA through an additional e-learning training tool designed and executed by the IEU to help project teams to build the necessary capacity to measure their impacts and changes resulting from GCF investments. This e-learning tool will further strengthen the capacity to measure the changes rigorously.
- [Under 3d] The IEU will organize its capacity building efforts under the Training, Innovation, Methods, Engagement (TIME4U) hub. Within this, given COVID19 requirements in 2020, the IEU will explore options to create and execute training modules and provide such contents in virtual formats next to traditional person-to-person formats through a variety of platforms.

2. To summarize, the overall objectives of the IEU are derived from the Governing Instrument and include:<sup>2</sup>

<sup>1</sup> Once the Evaluation policy is approved, the IEU will present a revised and updated three-year work plan.

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

- (i) Informing the decision-making of the Board, identifying and disseminating lessons learned, contributing to guiding the Fund and stakeholders as a learning institution, and providing strategic guidance;
  - (ii) Conducting periodic independent evaluations of the Fund's performance 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.
3. The IEU's principal aims for the period 2017-2020 are summarized below. Objectives and activities associated with these aims are summarized in Table 7.
  - (a) **Build the IEU and complete staffing:** An important objective for the IEU is to ensure that the IEU is adequately staffed so that it can deliver its work plan, including its overall learning and accountability objectives. IEU staff will reflect the best standards in evaluative training, practice, theory and ethics. The IEU will also ensure that its vision and practices are adequately shared, internally and externally, and that the evaluation policy and procedures for functioning of the IEU are properly articulated.
  - (b) **Undertake and deliver high quality evaluations:** The IEU will undertake strategic high-quality performance, portfolio, thematic, country, programmatic and project evaluations identified by the IEU and useful for the Board, GCF Secretariat and the COP.<sup>3,4</sup> They will also serve as building blocks for fund-level evaluations that assess the effectiveness and efficiency of the GCF and are shared with the replenishment process. The IEU will deliver at least four evaluations per year. It will also review the use of the GCF's results-based framework and performance framework and provide recommendations to the Board. It will also support a Learning-Oriented Real-Time Impact Assessment (LORTA) window to support real-time learning within the GCF through real-time assessments.<sup>5</sup>
  - (c) **Build and deliver an evaluation-based learning, advisory and capacity strengthening program:**<sup>6</sup> The IEU's evaluation-based learning and capacity building program will respond to evaluation-related capacity needs of the GCF Board, Secretariat, Accredited Entities (AEs), Nationally Designated Agencies (NDAs), and other stakeholders in the evaluation and climate change space.<sup>7</sup> The IEU will work towards ensuring that programs and activities funded by the GCF maintain sufficient quality in terms of data, design and information to inform evaluations.
  - (d) **Engage strategically to learn, share and adopt best practices in the climate change evaluation space:** The IEU will engage with key actors in the evaluation space and be at the forefront of evaluation practice and theory while collaborating with stakeholders of the GCF and involving them in the IEU's activities.<sup>8</sup> It will adopt high quality methods and standards for evaluative evidence in the climate change space. Accordingly, it will continue to build and strengthen partnerships, as it has in 2018, to leverage geographic presence, thematic expertise, and capacities to help with the IEU's other objectives in the context of capacity building, particularly with GCF partners, AEs, NDAs and focal points as well as other evaluation-related staff in partner organizations. This will also

<sup>3</sup> Decision B.06/09/Annex III

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

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

<sup>6</sup> Decision B.06/09/Annex III/23 and Decision B.10/05/Annex V

<sup>7</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>8</sup> B.06/09/Annex III/10 and 11 and B.10/05/Annex V/ 5, 8, 9, 14, 15, 16



contribute to building the IEU's niche and its reputation as a leader in evaluation and learning, which is synonymous with quality and credibility.

**Table 7: Aims, Objectives and Key Outputs of the IEU’s Rolling Three-Year Work Plan (applicable 2018-2021)**

NO.	AIM OBJECTIVES	OUTPUTS
1.	<p><b>Strengthen the IEU and complete staffing</b> <sup>25</sup></p> <p>1a. Ensure that the IEU is completely staffed to meet its objectives of accountability and learning.<sup>26</sup></p> <p>1b. IEU’s policies and standards are well-articulated and understood.</p> <p>1c. Procedures and guidelines for the effective operation of the IEU are specified and IEU budgets and work plans are approved in a timely manner.</p>	<ul style="list-style-type: none"> <li>• The IEU will be fully staffed with an emphasis on building high quality evaluation and thematic capacity.</li> <li>• The IEU includes three constitutive workstreams, each with a speciality and expertise. The workstreams allow for the development of expertise, specialisation, and excellence in essential areas of data/ science, communications, and advisory.</li> <li>• Terms of reference for the IEU’s four work streams will be widely disseminated and high functioning staff will be hired competitively at the IEU.<sup>27</sup></li> <li>• The IEU will be well-managed and personal performance and professional development plans for all IEU staff will be articulated.</li> <li>• <i>[new] The IEU will build ‘modularity’ and ‘capacity’ in staffing to account for routine events such as staff turnover, but also unexpected events such as a pandemic. This will be operationalized in new workplans starting 2021.</i></li> <li>• Evaluation Policy of the GCF will be developed.</li> <li>• Guidelines and standards will be developed to reflect the policy.</li> <li>• Awareness will be generated among GCF staff and NDAs, AEs and others to ensure this Policy and set of guidelines and standards are properly applied.</li> <li>• The IEU’s vision and strategy will be finalized and shared with all IEU staff.</li> <li>• The guidelines and procedures to ensure the independence and effective functioning and operation of the IEU, in keeping with international best practices, will be submitted to the GCF Board and updated as required.<sup>28</sup></li> <li>• A rolling three-year plan, budget and an annual work plan will be presented every year to ensure certainty in planning and delivering high quality evaluations.<sup>29</sup></li> </ul>

<sup>25</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>26</sup> Decision B.08/07/Annex IX and Decision B.10/05/(k)/Annex V

<sup>27</sup> Decision B.16/07

<sup>28</sup> GCF/B.06/Annex III

<sup>29</sup> GCF/B.06/Annex III

NO.	AIM	OBJECTIVES	OUTPUTS
2.	<b>Undertake and deliver high-quality evaluations to the GCF Board</b>	<p>2a. Carry out strategic 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>31</sup></p>	<ul style="list-style-type: none"> <li>• An IEU annual report will be produced and disseminated every year, commencing in 2018.<sup>30</sup></li> <li>• <i>[new] All IEU evaluations will comprise three streams: data and science, communications, and advisory work. This will allow all IEU evaluations to be utilization focused, and relevant. They will provide credible evidence to the Board of the GCF.</i></li> <li>• The IEU will carry out at least four evaluations annually, as determined in the IEU workplan approved by the Board. All IEU evaluations will espouse available best practice and will make use of cutting-edge methodologies.</li> <li>• <i>[new] IEU evaluations will also strive for external validity, identify 'what could work', and assess measures of cost-effectiveness (recalling that climate finance is limited).</i></li> <li>• The IEU will undertake overall performance evaluations as required by its TORs.<sup>33</sup></li> <li>• The IEU will also deliver the following:               <ol style="list-style-type: none"> <li>(1) 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>34</sup></li> <li>(2) Overall assessment of the Fund's results and the effectiveness and efficiency of its activities.<sup>35</sup></li> </ol> </li> </ul> <p>The performance evaluation undertaken by the IEU will inform the replenishment of the GCF.</p>
		<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 to inform the replenishment process.<sup>32</sup></p>	

<sup>30</sup> B.06/09/Annex III

<sup>31</sup> Decision B.06/09/Annex III

<sup>32</sup> Decision B.06/09/Annex III

<sup>33</sup> B.06/09/Annex III and B.10/05/Annex V

<sup>34</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>35</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 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."

NO.	AIM	OBJECTIVES	OUTPUTS
		<p>2c. Review the results management and performance measurement framework and prepare a real-time learning-oriented impact evaluation project portfolio.</p>	<ul style="list-style-type: none"> <li>• The IEU will provide recommendations based on international evidence and best practices for improving the GCF's results management framework and performance measurement framework.<sup>36</sup></li> <li>• <i>[new] The IEU will review the implementation of recommendations made in the independent evaluations.</i></li> <li>• The IEU will support a real-time impact assessment (LORTA) window that will promote measurement of results and learning in real-time. In the pilot window, the IEU will work with 4-6 projects that can effectively demonstrate this learning which will provide insights to the Secretariat in real time.</li> <li>• <i>[new] In 2020, the IEU will support all approved projects under LORTA through an additional e-learning training tool designed and executed by the IEU to help project teams to build the necessary capacity to measure their impacts and changes resulting from GCF investments. This e-learning tool will further strengthen the capacity to measure the changes rigorously.</i></li> </ul>
3.		<p><b>Build and deliver an evaluation-based learning, advisory and capacity strengthening program</b></p> <p>3a. Ensure programs and activities funded by the GCF maintain sufficient quality in terms of data, design and information to inform evaluations.</p>	<ul style="list-style-type: none"> <li>• The IEU will build awareness on the uses of evaluations and strengthen appropriate systems/institutional and human capacity for evaluative evidence and evidence-based policies.</li> <li>• The IEU will build and deliver customized workshops upon request and disseminate products to ensure learning and uptake for this objective.</li> <li>• The IEU will provide evidence-based recommendations on projects/programs of activities to improve the ability of the IEU to provide quality evaluations of the Fund's activities. It will also work to ensure that they are reflected in funded activities, agreements and proposals.<sup>37</sup></li> <li>• Through LORTA, the IEU will support high quality data and assessments which will enable the GCF and its stakeholders to learn about and generate high-quality, credible evaluations that <i>measure attributable change</i> in GCF result areas.</li> </ul>

<sup>36</sup> GCF/B.06/Annex III

<sup>37</sup> B.06/09/Annex III

NO.	AIM	OBJECTIVES	OUTPUTS
		<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>38</sup></p>	<ul style="list-style-type: none"> <li>• The IEU will build a database of evaluative evidence and synthesize learning through evidence gap maps, intervention heat maps and systematic reviews.</li> <li>• The 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 framework of the GCF.<sup>39</sup></p>	<ul style="list-style-type: none"> <li>• The IEU will conduct retrospective theories of change exercises to inform the results framework and performance measurement framework of the GCF as well as the evaluation policy.</li> <li>• The IEU will provide evidence-based recommendations by analysing 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.</li> <li>• The IEU will develop 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 them to attest and benchmark the quality of GCF self-evaluations conducted by the Secretariat and provide recommendations for the results management framework and performance measurement framework.<sup>40</sup></li> </ul>
		<p>3d. Build capacity for undertaking evaluations, understanding standards and methods, within the Secretariat and GCF stakeholders, and use innovative ways to ensure this.<sup>41</sup></p>	<ul style="list-style-type: none"> <li>• <i>[new] The IEU will organize its capacity building efforts under the Training, Innovation, Methods, Engagement (TIME4U) hub. Within this, given COVID19 requirements in 2020, the IEU will explore options to create and execute training modules and provide such contents in virtual formats next to traditional person-to-person formats through a variety of platforms.</i></li> <li>• The IEU will build innovative products to ensure learning and the uptake of evaluative evidence. Accordingly, the IEU will train, share and build capacity for</li> </ul>

<sup>38</sup> Decision B.10/05/Annex V/ 14 and 15

<sup>39</sup> Decision B.06/09/Annex III

<sup>40</sup> Annex III to decision B.06/09

<sup>41</sup> Decision B.06/09/Annex III/ 21, 23

NO.	AIM	OBJECTIVES	OUTPUTS
			<p>undertaking evaluations within the Secretariat and collaborate to build capacity and awareness within AEs and NDAs.</p> <ul style="list-style-type: none"> <li>• The IEU will build customized workshops, engage with other agencies and trainers to develop training modules and matchmake teams for programmatic and project evaluations.</li> <li>• The IEU will create training modules and train GCF stakeholder staff including staff from intermediary agencies to bring them up to speed on state-of-the art methods to evaluate the Fund’s activities.</li> <li>• The IEU will also collaborate with universities and other agencies to develop these customized courses.</li> </ul>
		<p>3e. The IEU will be at the forefront of methods and climate science and establish the IEU as a global leader in the field.<sup>42</sup></p>	<ul style="list-style-type: none"> <li>• The IEU will support methods-related work relevant to the GCF’s result areas and evaluations that harness complexity science and new measurement methods. This includes commissioning methods papers, briefs and reviews, supporting knowledge hubs and supporting relevant conferences, workshops, methods labs and learning clinics.<sup>43</sup></li> </ul>
4.		<p><b>Engage strategically to learn, share and adopt best practices in the climate change evaluation space</b></p> <p>4a. The IEU will increase its engagement with key actors in the international evaluation space and collaborate with GCF partners, accredited entities, NDAs and focal points and staff in partner organizations to leverage their presence and capacities to help with the IEU’s other objectives.</p>	<ul style="list-style-type: none"> <li>• The IEU will use international engagements to deliver customized awareness building workshops on evaluation vision and techniques, showcasing high quality evaluation methods and standards to GCF stakeholders.</li> <li>• The IEU will develop communication products conveying the key messages from evaluations.</li> <li>• The IEU will establish formal partnership agreements with networks and organizations to leverage their presence for capacity building among GCF stakeholders.</li> </ul>

<sup>42</sup> Decision B.10/05/Annex V/8

<sup>43</sup> GCF/B.05/03/ Annex I