
Report of the Independent Evaluation of the Global Environment Facility Small Grants Programme (GEF/SGP) Pilot Phase

June 14, 1995

Prepared by

David Richards
Team Leader

Thierno Kane
Africa and the Middle East

Moises Leon
Latin America and the Caribbean

Tina Liamzon
Asia and the Pacific

Commissioned by the United Nations Development Programme's
Office of Evaluation and Strategic Planning



Report of the Independent Evaluation of the Global Environment Facility Small Grants Programme (GEF/SGP) Pilot Phase

Commissioned by the United Nations Development Programme's
Office of Evaluation and Strategic Planning



The Small Grants Programme of the Global Environment Facility awards grants of up to US \$50,000 to non-governmental and community based organizations addressing local environmental problems within the context of the GEF thematic areas of climate change, destruction of biodiversity, pollution of international waters, ozone depletion, and to the extent they relate to these areas of concern, desertification and land degradation. The programme is managed by UNDP on behalf of the GEF.

With the programme nearing completion of its three-year pilot phase, the GEF Council requested that an independent evaluation be undertaken. The findings, recommendations, and conclusions of that evaluation are contained in this volume.

GEF/SGP Evaluation Briefing Paper

Performance: Since 1992, 3,280 funding proposals have been received for review—and 448 were accepted—in the 33 countries in which there are Global Environment Facility Small Grants Programme (GEF/SGP) operations. Of these, 340 focused on biodiversity conservation, 85 on climate change, 20 on protection of international waters, and 3 on reducing ozone depletion. Average grant size was US\$ 21,900, and the average project length was 1.8 years. Processing time, worldwide, averaged 5.5 months. Beneficiaries were typically low-income rural people. Overall, grantees were small non-governmental organizations (NGOs) with well-established links to community-based organizations (CBOs), while 80 were CBOs. Approximately 358 of the funded projects are reported successfully completed or on track to achieve their objectives; 37 are experiencing moderate but recoverable difficulty; 40 require redesign or reconsideration; and 13 are considered unlikely to achieve their intended objectives. Sixty-eight percent of the GEF/SGP portfolio include a specific local capacity-building element, 76 percent focus on livelihood issues, 74 percent involve significant community participation in at least one element of the project development/implementation process, 34 percent involve significant participation by women, and 14 percent have been written up as part of an information dissemination effort. Approximately 190 unapproved but good project proposals were referred to other funding agencies. Overall, approximately 45 percent of the portfolio directly address GEF focal areas, 42 percent do so indirectly or as part of strengthening and preparing local organizations, 12 percent involve applied research or technical assistance support activities, and 1 percent appear to be outside the GEF/SGP criteria.

Findings: Given all that could have gone wrong launching the GEF/SGP, the pilot phase is a

genuine success, though important weaknesses were identified—the very purpose of a pilot. Overall, the GEF/SGP pilot has achieved the following: Working small grant-making mechanisms are set up in 33 countries; the national selection committee mechanism to review and select projects is generally recognized as innovative because of its participatory and transparent operating characteristics; the GEF/SGPs are learning from their pilot experience and improving the quality of their operations. Given the challenge of relating global environmental concerns to small, community-based, natural resource management needs, an honest effort has been made to link grants to the GEF focal areas; with exceptions, the GEF/SGP portfolio supports community-based projects; the quality of national coordinators and national selection committee members recruited is consistently high; community participation in project design and implementation has been a portfolio priority; the GEF/SGP has increased the knowledge of GEF focal areas through its project selection process and through regular representation at national and local fora.

Issues to be addressed include: Few of the GEF/SGPs have articulated a strategy for their portfolio beyond making small grants; working relationships between a significant number of national coordinators and their UNDP Mission counterparts are strained; the GEF/SGP Headquarters Technical Coordinator's office is woefully understaffed; the systems supporting annual planning, budgeting and funds disbursement are insufficiently developed; the very low ratio of proposals received to projects funded (approximately 11.5 percent) is creating frustration among potential grantees; national coordinators have invested effort and time beyond that described in their terms of reference, and may experience "burnout" or fatigue; wide

variations in compensation and employment status vis-a-vis UNDP are creating a sense of "second class status" among some national coordinators; insufficient progress has been made to include women on national selection committees, or in project design and implementation; insufficient progress has been made on anticipating challenges related to project sustainability. Indicators to measure portfolio impacts are insufficiently developed and/or used, so estimates of contributions to GEF themes can't be made; with exceptions, there is little or no relationship between the GEF/SGP and the "big" GEF, and little information and experience regarding the issues of grassroots participation in GEF projects is being offered or requested.

Conclusions: Given the variety of objectives, purposes, and activity criteria the GEF/SGP is obliged to meet, the GEF/SGP is a reasonably efficient and cost-effective method to provide funding for community-focused environmental and capacity-building

projects; in general, an effective, prototype foundation is being laid for expanded support of community-based activities related to GEF focal areas; given funding to scale-up projects, the contribution of the rural poor to biodiversity loss, global climate change, ozone depletion, and degradation of international waters will likely be reduced.

Recommendations: Prepare the GEF/SGP for its transition from pilot phase to operational status. Modify the programme based on this evaluation report, the individual evaluations prepared by the national coordinators, ongoing assessment of the pilot phase and future needs, and on advice received at the upcoming global meeting of national coordinators. Consider expanding the GEF/SGP to approximately 60 countries during the next three years to create a worldwide network of activity sufficient in size and scope to unambiguously support GEF focal areas. Do not begin the operational phase until the issues, weaknesses, and threats in this report are addressed.

Table of Contents

Executive Summary	1
1. The Evaluation Framework	10
Evaluation Team	10
Key Elements and Schedule	10
Evaluation Content	11
2. Context	13
NGO Development	13
Socio-Economic and Environmental Conditions	14
UNDP Country Offices	14
3. Findings	15
Launching the GEF/SGP	15
Quality of HQ Support	17
Project Portfolio Management	21
Project Portfolio Objectives	26
Project Portfolio Strategy	32
4. Global Programme Analysis	36
Performance Overview	36
GEF/SGP Strengths	36
GEF/SGP Weaknesses	37
GEF/SGP Opportunities	37
Threats to the GEF/SGP	37
GEF/SGP Achievements	38
Primary Factors Influencing GEF/SGP Achievements	39
Main Issues to be Addressed	39
5. Conclusions	41
6. Recommendations	42
7. Closing	43

Annexes*

1. Africa Evaluation Report
2. Asia Evaluation Report
3. Latin America and Caribbean Evaluation Report
4. List of GEF/SGP Pilot Phase Countries
5. National Coordinator Evaluation Reports
6. GEF/SGP Pilot Phase Project Briefs

** Due to space limitations, Annexes are not included with the published version of this pilot phase evaluation. They are available upon request from the office of the GEF Small Grants Programme Coordinator at UNDP.*

Acronyms and Abbreviations

CBO	Community-based organization
GEF	Global Environment Facility
GEF/SGP	Global Environment Facility Small Grants Programme
HQ	Headquarters
NC	National coordinator
NGO	Non-governmental organization
NSC	National selection committee
OESP	Office of Evaluation and Strategic Planning
PNG	Papua New Guinea
SGP	Small Grants Programme
SWOT	Strengths, weaknesses, opportunities and threats
TA	Technical assistance
TOR	Terms of reference
UNDP	United Nations Development Programme
UNOPS	United Nations Office for Project Services

Executive Summary

Introduction

Background: The GEF Small Grants Programme (GEF/SGP) was launched by UNDP in late 1992 as a pilot programme of the Global Environment Facility (GEF). Under the GEF/SGP, grants of up to US\$50,000 are awarded for community-based or -focused activities supported by local organizations and non-governmental organizations (NGOs) that address the GEF focal areas: climate change, biological diversity conservation, international waters protection, ozone depletion, and, to the extent that they relate to these areas of concern, desertification and other land degradation issues.

GEF/SGP Objectives: The principal objectives of the programme's pilot phase were: 1) to set up an effective, efficient, transparent system to decentralize small grant-making to the field; and 2) to support promising GEF-connected community-based initiatives that respond to local environmental and livelihood needs and which, if scaled-up, could contribute to reducing global threats to the environment. Related purposes included determining the most effective means to: 1) strengthen the capacities of organizations needed to assist community-based initiatives; 2) share successful approaches and strategies; and 3) draw lessons from community-based activities of value to agencies charged with protecting elements of the global environment. Of eight pilot phase activity selection criteria, the most pronounced were that: 1) affected communities participate in the identification, design, management, monitoring, evaluation and design adjustment of GEF/SGP-funded projects; and 2) women and indigenous groups contribute to project design and benefit from achievement of project objectives.

Resources and Structure: The GEF/SGP pilot phase was funded by the GEF Trust Fund

(\$13,000,000), the United States Agency for International Development (\$3,000,000) and the John D. and Catherine T. MacArthur Foundation (\$300,000). As of 30 March 1995, the GEF/SGP had been established in 33 countries in Africa, the Middle East, North Africa, Central Europe, Latin America and the Caribbean, South and Southeast Asia, and the Pacific region. The basic GEF/SGP structure includes 1) the formation of a national selection committee (NSC), usually about twelve well-regarded individuals, to establish a country strategy, select projects for awards, and guide GEF/SGP implementation; 2) the appointment of a national coordinator (NC); 3) locating a GEF/SGP within an NGO or at the UNDP Country Office; 4) in-country UNDP oversight from a programme officer designated by the Resident Representative; 5) programme execution support from the UN Office of Project Services (UNOPS); and 6) technical support from the GEF/SGP Technical Coordinator's Office (HQ). An average of 1.1 national GEF/SGPs were established per month during the pilot phase.

Small Grant Funding Activity: A total of 3,280 funding proposals were received and reviewed, and 448 (11.5 percent) were accepted. Of approved projects, 340 (76 percent) focused on biodiversity conservation, 85 (19 percent) on climate change, 20 (4.5 percent) on protection of international waters, and 3 (0.5 percent) on reducing ozone depletion. Project beneficiaries are typically low-income rural people whose livelihoods depend directly on the natural resource base. The main reasons for proposal rejection were: 1) that the proposed project was not within the GEF focal areas; 2) activity proposed was not or did not support a community-based initiative; 3) insufficient implementation capacity; 4) no innovative element in the local context; and 5) inadequate GEF/SGP funds available. Average grant size was US\$ 21,900, and

the average project length was 1.8 years. The national coordinators spent approximately 50 percent of their time on administrative matters, 25 percent on technical support to grantees, 15 percent in the field, and 10 percent on representation tasks. Including evening and weekend time away from home, the national coordinator position requires 1.3 times a full-time position (defined as an eight hour workday, five days per week). Worldwide, the national selection committees meet once every quarter for approximately five hours or 20 hours per year, but the average varies widely among countries. The national selection committee's chairperson spends considerably more time, estimated at 60 hours per year.

Performance: Approximately 358 (80 percent) of funded projects are reported successfully completed or on track to achieving their objectives, 37 (8 percent) are experiencing moderate, but recoverable difficulty, 40 (9 percent) require redesign or reconsideration, and 13 (3 percent) are considered unlikely to achieve their intended objectives or didn't work out as expected. Average processing time, worldwide, was 5.5 months. Sixty-eight percent of the portfolio's projects include a specific local capacity building element, 76 percent are focused on livelihood issues, 74 percent involve significant community participation in at least one element of the project development/implementation process, 34 percent involve significant participation by women, and 14 have been written up as part of an information dissemination effort. Approximately 190 unapproved but good project proposals were referred to other funding agencies. Overall, approximately 45 percent of the project portfolio directly and clearly address GEF focal areas, 42 percent indirectly or are part of strengthening and preparing local organizations, 12 percent are applied research or technical assistance (TA) support activities, and 1 percent appear to be outside the GEF/SGP mandate. Considering the decentralized nature of the programme, this should be considered a notable success.

The Evaluation Framework

Evaluation Team: UNDP's Office of Evaluation and Strategic Planning (OESP) recruited an experienced four-person team—three regional specialists and a team leader. Ms. Tina Liamzon (South and South-Asia) specializes in the setup of community organizations, NGOs, and NGO networks world-

wide. Mr. Thierno Kane (Africa and the Middle East) is a specialist on cooperation among grassroots organizations, intermediary NGOs, donors, and governments. Mr. Moises Leon (Latin America and the Caribbean) is a cultural anthropologist specializing in the link between Agenda 21 and civil society initiatives on sustainable development. David Richards (team leader) is founder of The Blue Marble Group, an association of independent consultants working on techniques to strengthen cooperation among government, the private sector, and citizens' organizations on sustainable development initiatives.

Key Elements: Main elements of the evaluation included pre and post field work debriefings, eight day visits to nine Small Grant Programmes, focus group meetings attended by 12 or more people in nine countries, site visits to 30 projects, and review of evaluation reports from each country having a programme older than six months. The team used individual and group interviews, document review, and grantee visits to gather information.

Evaluation Content: The main purpose of the evaluation was to: "(i) assess the operations of the GEF/SGP, paying particular attention to cost-effectiveness, efficiency, and relevance, (ii) given the assumptions of the pilot phase and its expectations, determine the extent to which the objectives have been achieved, (iii) identify the factors accounting for the extent to which objectives have or have not been achieved; and (iv) in making recommendations for the longer-term operational phase of the programme, ensure that the findings and recommendations of the Independent Evaluation of the GEF Pilot Phase of November 1993 are taken into account."

The evaluation team examined the policies, procedures, structures and activities at Headquarters (HQ), and in selected countries. At the UN level, it assessed the procedures for establishing the programme, the effectiveness of the global support structures, and the procedures for analyzing and reporting on GEF/SGP implementation. At the country level, it documented the status of programme implementation, assessed headquarters support functions and national implementation structures, assessed the SGP portfolio for relevance to GEF theme areas and country-specific strategies, and attempted to determine how well SGP guidelines and project selection criteria have worked.

Overall, the team framed its questions using a simple "SWOT" approach - strengths, weaknesses, opportunities, and threats.

GEF/SGP Implementation Context

Other than the competence of the GEF/SGP's national coordinators and selection committees, three major factors have influenced the character of GEF/SGP country programmes: 1) the state of development of NGOs and community-based organizations (CBOs); 2) socio-economic and environmental conditions; and 3) the degree and type of support from UNDP Country Offices and/or host NGOs.

National NGO/CBO Development: While the main objective of the GEF/SGP is to reduce threats to global climate, biodiversity, and waters, the means selected to achieve it is financial and technical support for small CBOs and larger NGOs that work with local communities. The number, type, and strength of environment and/or development NGOs in very large part determine the character and activities of the GEF/SGP. The 33 countries in which the GEF/SGP is operating represent the whole range of NGO development related to environment. They fall in or between the following categories:

- **Embryonic NGO/CBO Development:** A small number of inexperienced NGOs still in the process of acquiring "political space" in which to operate. The government does not consult the NGO community and in general does not encourage its growth (5 of 33 countries);
- **Rapid NGO Growth with Limited Capacity:** Political conditions, donor interest, and need intersect to cause rapid growth in the number and types of NGOs. There is the appearance of management capacity, but in reality it is very limited (15 of 33 countries);
- **Large NGO Dominance:** The NGO community is dominated by a few large, experienced NGOs, usually urban-based, who attract the bulk of donor funding because of their sophisticated technical and project management skills. They define the NGO role in the country (6 of 33 countries);
- **Active, Mature NGO/CBO Communities:** Civil society is supported by a wide variety of NGOs and CBOs. Networks, umbrella organi-

zations, NGO/government/private sector coalitions, and people's organizations abound, representing geographic, sector, or thematic concerns (7 of 33 countries).

Socio-Economic and Environmental Conditions:

Virtually all of the GEF/SGP countries are facing severe environmental challenges, and most have expanding rural populations living directly from the natural resource base. With exceptions, rural incomes have steadily decreased over the past 10 years, and migrations to fragile lands are common. Material and services expectations are rising. National plans call for rapid, growth-centered development to expand economies. In spite of official policies to safeguard natural resources, trends toward degradation of water, soil, and biodiversity assets are apparent in all GEF/SGP countries. Given these conditions, NGOs are faced with the dilemma of how to relate to the GEF's macro-environmental focal areas as they address the micro resource management and livelihood concerns of the communities with which they work at the grassroots. Shedding light on this tension has been one of the GEF/SGP's most important and difficult activities during the pilot phase.

UNDP Country Offices: UNDP Country Offices have interpreted their roles vis-a-vis the GEF/SGP in very different ways, largely based on the interest and personality of the Resident Representative and the programme's "contact" officer, who usually manages the environment or community development portfolio. Country Office support to the GEF/SGP ranges from the provision of vehicles and invitations to participate in UN activities to micro-management of a NC's time and resources. The evaluation team found that the type and quality of the NC-UNDP Country Office relationship has been a critical factor in establishing the character of the GEF/SGP in the field.

Summary Findings

Establishing effective, cost efficient small grant-making mechanisms is very difficult, and maintaining them even more so. Historically, the "transaction" and support costs have been high in relation to grants made, creating pressure for larger awards or loans so the per unit cost is reduced. Effective grant-making requires good administration, clear selection criteria, consistent follow-up, flexibility, excellent monitoring skills, and what can only be

called "grant-making savvy." Evaluations of foundation and bilateral small-grant programmes regularly point out the absence of these key characteristics when describing the causes of poor performance. The chief lesson has been: a great deal can go wrong, and often does. Keep in mind that most GEF/SGPs are fewer than 2 years old, and their project portfolios less than 18 months, so many of the points that follow are based on assessment of trends rather than final results.

Achievements: Given all that could have gone wrong launching the GEF/SGP, the pilot phase is a genuine success, though important weaknesses were identified—the very purpose of a pilot. Overall, the GEF/SGP pilot has achieved the following:

- **Working small grant-making mechanisms are set up in 33 countries.** Four are very new or are not fully functioning, but there is no reason to believe they will not do so. NCs and NSCs are, in general, cooperating effectively with UNDP Country Offices to manage the GEF/SGP.
- **The national selection committee mechanism to review and select projects is generally recognized as innovative** because of its participatory and transparent operating characteristics.
- **In general, the GEF/SGPs are learning from their pilot experience and improving the quality of their operations through time.** This is fairly unusual, and should be noted.
- **Given the challenge of relating global environmental concerns to small, community-based natural resource management needs, an honest effort has been made to link grants to the GEF focal areas, even though the relationship may be indirect, and therefore not at first clear.** Recognizing the highly decentralized nature of the programme and the very wide variety of institutional and environmental conditions in which it operates, this accomplishment is noteworthy.
- **With exceptions, the GEF/SGP portfolio supports community-based initiatives that respond to or support solving local environmental problems as they address livelihood needs, lifestyle considerations, or information requirements.**
- **The quality of national coordinators and national selection committee members recruited is consistently high.** Given the scarcity of qualified managers in most GEF/SGP countries, this accomplishment is noteworthy.
- **Though difficult to achieve, community participation in project design and implementation has been a portfolio priority.** We make this finding even though the number of projects directly funding CBOs is small. With exceptions, intermediary NGOs funded by the programme appear to be effectively working to strengthen the community groups with which they work.
- **The GEF/SGP has increased the knowledge of GEF focal areas through its project selection process and through regular representation at national and local fora.** On several occasions, the evaluators successfully discussed GEF themes with project participants.
- **Given the variety of objectives, purposes, and activity criteria the GEF/SGP is obliged to meet, the GEF/SGP is a reasonably efficient and cost-effective method to provide funding for community-focused environmental and capacity-building projects.**
- **In general, an effective, prototype foundation is being laid for expanded support of community-based activities related to GEF focal areas.** Given funding to scale-up projects, the contribution of the rural poor to biodiversity loss, global climate change, ozone depletion, and degradation of international waters will likely be reduced.

The primary reasons for the overall positive judgement of the evaluation team are as follows:

- **The energy and ability of the national coordinators to solve programme development problems, to establish effective working relationships with necessary partners, and to apply GEF/SGP criteria is, with few exceptions, well developed.** Without the type of NCs recruited, the pilot would have failed.
- **The commitment, support, and problem-solving ability of the GEF/SGP Senior Advisor, Technical Coordinator and the responsible Programme Management Officer from the**

Office of Project Services have been significant factors in the pilot's overall success. In particular, the efforts of the GEF/SGP Technical Coordinator to clarify or establish operating policy and guidelines were often mentioned.

- The GEF/SGP has been able to attract **capable people to serve on its national selection committees**, and they have taken their role seriously.
- The **project selection mechanism adopted is sufficiently transparent and democratic** to attract the attention of partners necessary for GEF/SGP implementation—NGOs, government, academics, and, occasionally, the private sector. The evaluation team found an unusual degree of local "ownership" of the process.
- UNDP HQ has provided **sufficient independence and authority to the national coordinators** to permit them to adapt the programme to local conditions.
- With exceptions, **UNDP Country Offices have either supported or at least not created unresolvable obstacles to GEF/SGP implementation**, even though the programme is a departure from normal operating procedure and staff shortages are a problem. Given the difference in institutional cultures between the organizations from which GEF/SGP NCs and NSCs are drawn, and the UNDP, this is a better than expected circumstance.
- With exceptions, **host NGOs have proven to be an effective base from which to launch GEF/SGP activities**. In particular, NGO hosts have provided access to national and local NGOs and CBOs. With exceptions, **host UNDP Country Offices have proven to be an effective base from which to launch GEF/SGP activities**.
- The GEF focal areas are broad enough to include **the natural resource management concerns of local communities** in GEF/SGP countries.
- GEF/SGP representatives and advocates have been able to **gain the acceptance and support of the national NGO communities** in the face of their active concerns regarding the GEF overall.
- Somehow, the GEF/SGP's have managed to **remain relatively free from political pressures**

to provide grants to suggested individuals or organizations.

Issues: Some of the problems identified are associated with the GEF/SGP's youth and pioneering nature. Early on, national coordinators had to make up the process as they established their programmes. Other issues are being dealt with to some degree but need to be pointed out to inform future GEF/SGP development. The evaluation team found HQ staff aware of all but a few of these issues, and efforts are being made to address them:

- **Few of the GEF/SGPs have articulated a strategy for their portfolio beyond making small grants.** Overall, project portfolio themes are fragmented as is the cumulative impact of the projects. While individual projects may be good, they appear as isolated events. Few GEF/SGPs use diagnostic exercises to determine what the medium-term objectives of the project portfolio should be. On the other hand, excessive preplanning, which often overemphasizes a problem or geographic region, is not suggested. Finally, the almost exclusive emphasis on grant-funding consumes all the time available, nearly eliminating the opportunity to support non-project but important activities.
- **Working relationships between a significant number of national coordinators and their UNDP Country Office counterparts are strained** because of misunderstanding or lack of clarity regarding roles, responsibilities, and decision-making authority. There is potential for a clash of organizational cultures. It is noted that, relative to GEF/SGP initial set up, relations have improved.
- **The GEF/SGP HQ Technical Coordinator's office is woefully understaffed.** It has been able to fulfill its function through commitment, extra hours and managerial savvy, but this is unsustainable over the medium-term. Ironically, increasing HQ staff will strengthen the GEF/SGP's ability to decentralize effectively. GEF/SGP expansion is impossible without additional staff resources.
- **The systems supporting annual planning, budgeting and funds disbursement are insufficiently developed or unreliable**, causing significant downstream problems between

GEF/SGP coordinators and grantees. In addition, clear steps to take in the event of grantee malfeasance are not established. Given the number of countries involved, this problem is expected. Even so, decisions regarding execution support should be made in advance of beginning a GEF/SGP operational phase.

- **The very low ratio of proposals received to projects funded (approximately 11.5 percent) is creating frustration among potential grantees** that may result in loss of interest and/or support.
- **National coordinators have invested effort and time beyond that described in their terms of reference (TORs), and a significant number are or will experience "burnout" or fatigue.** Overall, accountability for all aspects of the GEF/SGP is the NC's responsibility, especially when there are problems. **The guidelines must include a means to fairly share responsibility, success, and failure.**
- **Wide variations in compensation and confusion about employment status vis-a-vis the UNDP are creating a sense of "second class status" among some national coordinators.**
- **The pressure to "produce measurable results" related to GEF focal areas over short periods is and will lead to poor project proposals and selection.** In most GEF/SGP countries, NGO and CBO organizational strengthening is a critical need that cannot be ignored. Once again, a strategy to bridge these issues is required.
- **Overall, insufficient progress has been made to include women on national selection committees, or in project design and implementation.** The number of women serving as national coordinators is high relative to grant portfolio managers in bilateral programmes. The evaluation team appreciates the difficulties involved in resolving gender-based inequities.
- **With exceptions, insufficient progress has been made on anticipating challenges related to project sustainability.** In this, the GEF/SGP has a great deal of honorable company. Sustaining activities and practices beyond the project period remains a key weakness of most environment, development, and social change initiatives.

- **Indicators to measure portfolio impacts are insufficiently developed and/or used, so estimates of contributions to GEF themes can't be made.**
- **With exceptions, there is little or no relationship between the GEF/SGP and the "big" GEF, and little information and experience regarding the issues of grassroots participation in GEF projects is being offered or requested. In addition, there is a weak relationship between the GEF/SGP and other UN-sponsored programmes relevant to the programme's objectives and purposes.**

Strengths, Weaknesses, Opportunities, and Threats

Strengths: Relative to other small grants programmes observed, the GEF/SGP has fairly simple procedures that make it accessible to a wide range of NGOs, many of whom have not been eligible for grant funding. Based on grantee interviews, the personal attention and support of the national coordinator have been a significant factor in project success. The project selection process is considered participatory, transparent, and in some cases, innovative. Especially noted was the idea that a group, the national selection committee, rather than one or a few individuals, make award decisions. Redefining its role, several NSCs have become fora for debates on national sustainable development strategies, strengthening the GEF/SGP in the process.

Overall, the GEF/SGP has adapted to national circumstances reasonably well and has employed a learning process approach to programme development rather than an inflexible "blueprint." This applies to portfolio projects as well, resulting in more local ownership of project process and results. UNDP HQ has demonstrated flexibility in problem solving and has provided good guidance overall. GEF awareness activities are built into many if not most projects, resulting in better understanding of the relationship between global and local environmental issues.

Weaknesses: GEF/SGP country budgets are too small to meet demand and to develop a more strategic approach to achieving GEF objectives. Compounding this problem, many national coordinators were given the idea that projects

should be only one year in length even though such a restriction is not found in the guidelines. Other than referral, there is no effective plan to "graduate" projects to a higher level of follow-on activity. Some confusion exists in the field and at UNDP Headquarters regarding GEF/SGP objectives, purposes, means, and ends. This is caused in part by insufficient GEF/SGP staffing at HQ. The guidelines on women's participation in GEF/SGP-funded projects are weak, and little progress has been made in this area. Likewise, the absence of private sector people on national selection committees and in projects reduces the opportunity to influence and benefit from this important community. Project monitoring, technical review, evaluation, and sustainability planning are insufficient given the expectations of GEF/SGP's sponsors. The lack of budget for vehicles has seriously constrained monitoring and project support in some countries. Communication and coordination among UN environmental programmes and the GEF/SGP is weak.

Confusion regarding national coordinator roles, responsibilities, and authority vis-a-vis the UNDP Country Offices remains and will weaken the programme through time, though good effort has been made in improving working relationships. The coordinators wonder if all fingers will point to them if something goes wrong as it inevitably will. Differences in compensation and conditions of employment are and will understandably cause problems. Except for "on the job," few training opportunities exist for national coordinators related to small-grants portfolio management, representation, GEF focal areas, strategic planning, and UNDP fund administration. National coordinators have insufficient discretionary funds and cannot take advantage of unexpected opportunities for networking and training or needs for short-term TA and project development assistance.

Opportunities: The greatest opportunity is to develop working links with "big" GEF projects. The GEF/SGP could: 1) play a role on the GEF's national project development committees; 2) provide technical assistance on community involvement issues; 3) convene national NGO/CBO meetings to inform GEF project strategies; 4) monitor participatory process in GEF projects; and 5) develop pilot projects that could provide the basis for larger-scale GEF project concept development and implementation designs.

There is considerable opportunity for the GEF/SGP to leverage additional funds for GEF work in local communities. Leveraging can be accomplished by: 1) funding the community participation/preparation component of larger projects; 2) offering matching funds; and 3) acting as the local counterpart, in association with local NGOs, for collaboration with international NGOs.

The GEF/SGP could become a point of coordination and harmonization for the variety of small grant funds that together could achieve greater impact in solving environmental problems. This function is very much needed in 23 of the 33 countries in which the GEF/SGP has been set up.

Threats: Based on extensive "advertising" of the GEF/SGP during set-up, NGOs and CBOs have developed high expectations of receiving grant funds. When this expectation is not realized, or if more than a few attempts at proposal submission are required, NGO support for the programme may diminish.

Though increased GEF/SGP connection to the "big" GEF is recommended, there is concern among national coordinators that the GEF/SGP may become politicized and/or "swallowed up" in the GEF by doing so.

The GEF/SGP may develop excessive, disabling bureaucracy as additional performance and accountability demands are placed on it. Its strength—simplicity (from the perspective of the grantee)—may be lost. The size of the GEF/SGP's processes may become larger than the size of the programme's time and talent resources. Demands for national coordinators to "ensure" participatory process, women's involvement, high grantee performance, demonstration value, and lessons learned means that they initiate labor-intensive dialogue processes on which little follow-up is likely possible.

While the enthusiasm and commitment of the national coordinators and national selection committees for their work were evident during the evaluation, so was "burnout," characterized by a loss of interest in solving and resolving the problems that plague such a decentralized and diverse programme. Since the character of the individual GEF/SGP country operations is so much determined by the coordinator and selection committee, the programmes will reflect any fatigue on their parts either as a result of reduced performance or departure.

As the GEF/SGP garners more resources, larger national NGOs will look to the GEF/SGP to replace the funds being lost through international reductions in environment and development assistance budgets.

Most GEF/SGP country operations have completed their first round of grant making. Though many national coordinators would disagree, there has been a reasonable overall relationship between the level of effort required to do the job and the financial and support resources provided. When the second and third rounds of grant-making are completed, or if the programme expands without increases in staffing, this reasonable relationship between effort and task will be knocked out of balance. This was observed in cases where UNDP's Local Initiative Facility for the Urban Environment (LIFE) programme and the GEF/SGP share the same national coordinator.

Conclusions

- Given all that could go wrong, the **GEF/SGP pilot phase is sufficiently successful to warrant transition to an operational mode if the programme is strengthened with additional staff and key administrative questions are resolved. The overall potential of the GEF/SGP to complement and inform the GEF strategy is very good.** Frankly, the evaluation team departed New York expecting to find many more serious field implementation problems than it did, given the variety of objectives, purposes, and activity criteria involved. Our favorable conclusion is based on the limited objectives of a pilot phase, and not on an evaluation of impact on GEF focal areas (which is impossible given the short time the projects have been underway and the nature of GEF themes).
- **The GEF/SGP's impact on GEF focal areas cannot be measured at this time, but the GEF/SGP's role as a foundation for more extensive GEF-related community-based activity can be evaluated, and its potential is good.** The evaluation team observed projects that could, if scaled up, have a positive impact on GEF focal areas (e.g., nationwide use of fuel efficient stoves in Bolivia).
- **The GEF/SGP is not sufficiently connected to the GEF, and the GEF's opportunity to benefit** from the programme is not being sufficiently developed. The GEF/SGP has to overcome the "poor relation" perception that now exists.
- **Too many parties have too many and diverse expectations of the GEF/SGP, and these should be reduced and focused.** If it can remain procedurally simple, maintain its participatory, broad-based activity selection process, and develop a more strategic approach to the use of its resources, the GEF/SGP will become a credible model for engendering genuine community-based participation in efforts to link and address local environmental problems having global dimensions.
- While HQ and UNDP Country Office support to GEF/SGP field operations has improved during the pilot phase, **problems related to funds management and transfers remain.** Clearer delineation of roles, responsibilities, authority, and accountability among the GEF/SGP country operations, UNDP Country Offices, and Headquarters support and executing agencies is required.
- **Professional development opportunities for national coordinators need to be offered to maintain performance and enthusiasm.** Systems to recognize their contributions and efforts need to be put in place, and questions about their employment relationship to the UN system and compensation issues must be resolved.
- **The GEF/SGP's ability to adapt its modes of operation to widely different institutional, environmental, and socio-economic contexts is its major strength. This ability is the result of recruiting competent NCs, NSC members and HQ support staff. The GEF/SGP is a complex endeavor and requires very capable personnel.**

Overall Recommendations

- **Prepare the GEF/SGP for its transition from pilot phase to operational status.** Modify the programme based on this evaluation report, the individual evaluations prepared by the national coordinators, and ongoing assessment of the pilot phase and future needs. **Consider expanding the GEF/SGP to approximately 60 countries during the next three years to create a worldwide network of activity sufficient in**

size and scope to unambiguously support GEF focal areas. Do not begin the operational phase until the issues, weaknesses, and threats in this report are addressed.

- Consider increasing the GEF/SGP activity budget so it can both fund projects and undertake strategic activities in support of GEF themes. The recommended level is US\$ 500,000 per programme per year for existing operations, and \$300,000 for new GEF/SGPs in their set-up phase. In addition, each GEF/SGP should have the opportunity to fund one medium-sized project per three-year cycle. These projects will provide a "graduation" avenue for successful, high potential small-scale projects, or could be part of a regional project, or link with a larger GEF activity. GEF/SGPs would have to qualify for this allocation, and special design criteria would apply. \$300,000 per country per three-year cycle is recommended.
- Consider shifting the GEF/SGP to national execution to further decentralize its operations, more fully involve UNDP Country Offices, and reduce long-distance communication problems related to administration, accounts, and transfer of funds.
- Establish a mechanism to orient UNDP Country Office staff to the GEF/SGP and to their expected and necessary support role.
- Maintain the GEF/SGP's headquarters coordination function, and expand its operations to

include at least four regional staff and support personnel, an expensive but ultimately cost-efficient necessity. Few of the recommendations made in this report can be accomplished without increased HQ staff resources.

- Establish a professional development programme for GEF/SGP national coordinators and, in some instances, members of the national selection committees. Increase the number of regional NC meetings to take full advantage of experience and problem-solving techniques.
- Create the means whereby the GEF large and Small Grants Programmes are effectively linked and are mutually supportive.

Closing

Everyone associated with the GEF/SGP should feel positive about the programme. You have chosen a difficult set of tasks, and there are few who will thank you for all the effort made. Criticism is so much easier! The evaluation team took a hard look, and we want to say, "thank you." Almost everyone we met is making an honest effort to "make the GEF/SGP work." Most notably, you are actively looking for solutions to the programme's problems rather than spending your time complaining. Finally, we found that you welcome divergent views and constructive criticism. Just as in the environment, diversity is strength, and your diversity is your greatest strength as well.

Note on report format

Regional differentiation is significant in the GEF/SGP, so a brief summary of each region's perspective is found under most evaluation items. The team did try to summarize even these, but the result was a too general description. Conclusions, issues, the SWOT analysis, and final recommendations are made on a global level and include input from all the GEF/SGP regions. We have included the opinions of a sample group of national coordinators in special sections, and made an effort to represent the range of views. Details on almost every point made are found in the regional evaluator's reports and the national coordinators' evaluations of the GEF/SGP. The NC evaluations are very rich in opinion and detail.

1. The Evaluation Framework

Evaluation Team

UNDP's Office of Evaluation and Strategic Planning (OESP) recruited a four-person team to evaluate the Global Environment Facility's Small Grants Programme (GEF/SGP) during March, April, and May 1995. Ms. Tina Liamzon from the Philippines (South and South-Asia) is a Fellow with the People-Centered Development Forum who specializes in the set-up of community organizations, NGOs, and NGO networks worldwide. Mr. Thierno Kane from Senegal (Africa and the Middle East) is a specialist on cooperation among grassroots organizations, intermediary NGOs, donors, and governments, and is presently the Secretary General of the Federation of Fouta Associations for Development (135 village associations). Mr. Moises Leon from Costa Rica (Latin America and the Caribbean) is a cultural anthropologist specializing in the link between Agenda 21 and civil society initiatives on sustainable development, and is a consultant with the Earth Council and Costa Rica's Ministry of Planning on the role of NGOs in sustainable development initiatives. David Richards from the United States (team leader) was a senior associate at the World Resources Institute and is founder of The Blue Marble Group, an association of independent consultants working on techniques to strengthen cooperation among government, the private sector, and citizens' organizations on bridging environmental protection, economic expansion, and social development objectives. The team has a combined 80 years of experience working with the problems and potentials of collaboration among community-based organizations, intermediary NGOs, governments, donors, academia, and the private sector.

Key Elements and Schedule

Main elements included pre and post field work briefings, eight-day visits to nine Small Grant

Programmes, focus group meetings attended by 12 or more people in each country visited, site visits to projects, use of a common evaluation frame, and review of evaluation reports from each country having a programme older than six months. The team used individual and group interviews, document review, and grantee visits to gather information.

Meetings with focus groups proved to be a valuable part of the evaluation. The objective was to meet with a small group of people who are in a position to provide insight into the strengths, weaknesses, opportunities, and threats related to the GEF/SGP in each region. Participants were invited because of their special knowledge of environment and development issues, and about the role of community-based projects in solving environmental problems. The balance of "communities" invited included NGOs, CBO representatives, government, grantees, academics, and business people who had valuable opinions to share, even if controversial. Focus group size ranged from 12 to 45 and met for an average of six hours.

Calendar

3/13 – 3/17:	Team briefing at UNDP HQ, preparation of evaluation guidelines, questionnaires for countries not visited and completion of logistics
3/22 – 4/22:	Travel to the Philippines, Thailand, Pakistan, Mali, Kenya, Egypt, Dominican Republic, Bolivia, and Mexico
4/25 – 5/8:	Debriefing at UNDP HQ, review of SGP national coordinator evaluation reports from 27 countries, first-draft of regional reports
5/8 – 5/22:	Regional reports completed
5/23 – 6/10:	Team report drafted

Evaluation Content

Evaluation exercises focus more on what is wrong rather than what is right, even when the two are evenly matched. While the team was obliged to identify weakness, it intentionally sought positive trends and kept the pilot phase nature of the programme in mind. Important pilot activities include establishing effective systems and procedures, developing activity criteria and policy, and making all the mistakes necessary to get a programme refined enough to become operational.

Terms of reference: "The main purpose of the evaluation will be to: (i) assess the operations of the GEF/SGP paying particular attention to cost effectiveness, efficiency, and relevance, (ii) given the assumptions of the pilot phase and its expectations, determine the extent to which the objectives thereto have been achieved, (iii) identify the factors accounting for the extent to which objectives have or have not been achieved; and (iv) in making recommendations for the longer-term operational phase of the programme, ensure that the findings and recommendations of the Independent Evaluation of the GEF Pilot Phase of November 1993 are taken into account."

The evaluation team examined the policies, procedures, structures and activities at HQ, and in selected countries. At the UN level, it assessed the procedures for establishing the programme, the effectiveness of the global support structures, and the procedures for analyzing and reporting on GEF/SGP implementation. At the country level it documented the status of programme implementation, assessed Headquarters support functions and national implementation structures, assessed the SGP portfolio for relevance to GEF theme areas and country-specific strategies, and attempted to determine the extent to which the SGP guidelines and project selection criteria have been adhered to.

The working relationships of primary interest to the evaluation team included:

- Headquarters GEF/SGP coordination and operations units;
- Headquarters and national coordinators;
- UNDP Country Offices and the GEF/SGP;

- National coordinators and GEF/SGP national selection committees;
- GEF/SGP and grantees;
- The GEF/SGP country project portfolios and other national or local environment and development programmes, projects, organizations or strategies;
- The GEF and the GEF/SGP.

Our specific "points of evaluation" focused on the degree to which GEF-SGP pilot phase purposes have been achieved. These included, but were not limited to, the extent to which:

- The pilot has demonstrated the feasibility and desirability of supporting small-scale, community-based activities that enhance GEF objectives;
- The GEF/SGP has been decentralized to the national level;
- Affected communities participate in the identification, design, management, monitoring, evaluation and design adjustment of GEF/SGP-funded projects;
- Projects demonstrate innovative approaches (in the local context) to address environmental degradation related to GEF issues;
- Women and indigenous groups have contributed to project design and benefitted from the achievement of project objectives;
- The SGP country portfolios support, or are connected to, a national environmental strategy;
- Country project portfolios are designed to address GEF focal areas;
- Individual project objectives have been achieved;
- The state of country-level preparedness for the GEF/SGP's proposed operational phase.

The evaluation team conducted in-depth interviews with GEF/SGP's national coordinators on the following points:

- The issues the national coordinators had in setting up the GEF/SGP in-country, what criteria were used to screen and select projects, how projects are supported during implementation, and how activities are monitored and evaluated. Overall, what is the project cycle and how effectively does it work?
- The "carrying capacity" of the GEF/SGP country operation and what needs to be done to strengthen weak elements. What opportuni-

ties exist for improving effectiveness and scope of the GEF-SGP? What are the constraints?

- The desirability of a medium-sized grant programme, who would benefit from it, and the mechanisms likely to be needed to launch such an effort.

Overall, the team framed its questions using a simple "SWOT" approach - strengths, weaknesses, opportunities, and threats.

2. Context

Other than the competence of the GEF/SGP's national coordinators, three major factors have influenced the character of GEF/SGP country programmes: 1) the state of NGO/CBO development; 2) socio-economic and environmental conditions; and 3) the degree and type of support from UNDP Country Offices.

NGO Development

While the main objective of the GEF/SGP is to reduce threats to global climate, biodiversity, and waters, the means selected to achieve it is financial and technical support for small CBOs and larger NGOs that work with local communities, other NGOs, governments, academia, and donors to implement projects. The evaluation team found that the number, type, and strength of environment and/or development NGOs in very large part determine the character and activities of the GEF/SGP. A weak NGO community means provision of organizational development support before the environmental work actually begins. A repressed NGO community means negotiation with authorities to support GEF/SGP work with local organizations. A country dominated by a few large NGOs requires set-up of systems to reach groups outside of the well-established mainstream. A rich NGO history means existing project models, technologies and experience that the GEF/SGP can take advantage of rather than having to create effective demonstration activities from scratch.

The 33 countries in which the GEF/SGP is operating represent the whole range of NGO development related to environment. They fall in or between the following categories:

- **Embryonic NGO/CBO Development:** A small number of inexperienced NGOs still in the process of acquiring "political space" in which

to operate. The government does not consult the NGO community and in general does not encourage its growth. Overall, NGO projects are simple and require few advanced management or technical skills, and analysis capability is rare. Typically, organizational strengthening support is the primary need (5 of 33 countries).

- **Rapid NGO Growth with Limited Capacity:** Political conditions, donor interest, and need intersect to cause rapid growth in the number and types of NGOs. There is the appearance of management capacity, but in reality it is very limited. Organizational development and technical support are the primary needs. The ability to undertake coordinated activity is quite limited, but NGO networks are beginning to form (15 of 33 countries).
- **Large NGO Dominance:** The NGO community is dominated by a few large, experienced NGOs, usually urban-based, who attract the bulk of donor funding because of their sophisticated technical and project management skills. They act as conduits for funding to small NGOs and community-based organizations, and define the NGO role in the country (6 of 33 countries).
- **Active, Mature NGO/CBO Communities:** Civil society is supported by a wide variety of NGOs and CBOs. Networks, umbrella organizations, NGO/government/private sector coalitions, and people's organizations abound representing geographic, sector, or thematic concerns. NGOs influence government policy and are regularly consulted at national and sub-national levels on programme design (7 of 33 countries).

The GEF/SGP has had to adapt its programme to this wide variety of institutional landscapes.

Socio-Economic and Environmental Conditions

Virtually all of the GEF/SGP countries are facing severe environmental challenges, and all have growing rural populations living directly from the natural resource base. With exceptions, rural incomes have steadily decreased over the past 10 years, and migrations to fragile lands are common. Material and services expectations are rising and to meet them national plans call for rapid, growth-centered development to expand economies. In spite of National Environmental Action Plans and official policies to safeguard natural resources, trends toward degradation of water, soil, and biodiversity assets are apparent in all GEF/SGP countries.

In Southeast Asia, intense pressure toward industrial country status is causing well-known environmental destruction—forests, reefs and other natural resources are disappearing, causing damage to ecological systems and traditional livelihood strategies. South Asian countries are following a similar path to unsustainable growth, using the East Asian “tigers” as their models for economic development.

In Africa, populations and governments have been facing acute economic and political crises, with most countries in the midst of structural adjustment. Concurrently, they are dealing with growing impoverishment and resource degradation even as they recognize the need to strengthen the role of civil society in reconciling environment and development objectives.

The GEF/SGP is being established in Latin America at a time of growing regional awareness

concerning the importance of community participation for the success of conservation and development work. At the same time, NGOs are coming into increased conflict with governments and the private sector over the management of specific natural resources.

Given these conditions, NGOs are faced with the serious challenge of how to relate to the GEF's macro environmental issues as they address the micro concerns of the communities with which they work at the grassroots. Shedding light on this tension has been one of the GEF/SGP's most important and difficult activities during the pilot phase.

UNDP Country Offices

UNDP Country Offices have interpreted their roles vis-a-vis the GEF/SGP in very different ways, largely based on the interest and support of the Resident Representative and the programme's “contact” officer, who usually manages the environment or community development portfolio. Most Country Offices are facing budget reductions, are understaffed as it is for their mandates, and are curious why the GEF/SGP has not been decentralized to the Country Office level. Country Office support to the GEF/SGP ranges from the provision of vehicles and invitations to participate in UN activities to micro-management of a national coordinator's time and resources. The evaluation team found that the type and quality of the national coordinator-UNDP Country Office relationship has been a critical factor in establishing the character of the GEF/SGP in the field.

3. Findings

Launching the GEF/SGP

Issues and challenges faced in establishing the GEF/SGP

Asia: The major challenge was determining the appropriate management structure for operating the GEF/SGP. While the primary aim was to be able to identify a viable, credible and appropriate NGO that could host the SGP, this was not possible in three of seven countries. Other significant set-up issues include: identifying qualified national coordinators; determining how to widely disseminate GEF/SGP information to NGOs and CBOs; translating all GEF/SGP documents into the local language/s; attracting quality proposals that relate to the GEF themes; and persuading the NGO community to accept the framework and arrangements for the GEF/SGP, especially the GEF focal areas. Some felt there were other critical issues that a small grants fund should support, particularly capacity building. Clarification and distinctions had to be made between the Small Grants Programme and the "big" GEF because many NGOs raised controversial issues about proposed GEF projects and their apparent deficiencies, usually related to weak participatory process.

Africa: Few, if any, of the GEF/SGP countries had an operating national environmental strategy when the programme was established. The foundation on which a GEF/SGP strategy could be based was general in nature; there were few specific priorities and no systematic policy for geographic or thematic distribution of funds. It was difficult for the GEF/SGP to find an appropriate niche that could best support a national environmental plan. Second, the GEF/SGP found very wide differences in the level of awareness about and commitment to solving environmental problems of any sort, including GEF focal areas. The

challenge of making a persuasive case for the linkage between global environmental issues and national/local issues was common to all African GEF/SGP countries.

Latin America: The main challenges were: to obtain and maintain the collaboration of skilled and committed individuals from the national community to participate voluntarily in the national selection committees; to select the most appropriate NGOs and CBOs with which to work according to locally defined criteria; and to promote greater participation in the whole project process, with a special focus on women and indigenous groups.

Sample NC views: The only problem confronted was the poor support the host NGO extended, but this obstacle was overcome with the help of sympathizers. // Until November 1992, we were obliged to follow rather rigid, confusing, and complicated guidelines and procedural rules. Unfortunately, the UNDP project officer was not disposed to facilitate solutions to problems, but the relationship has improved over time. // The biggest challenge was explaining the GEF focal areas to prospective beneficiaries—there was initial resistance. // NGO/CBO expectations about the GEF/SGP were too high relative to grant funds available, and we couldn't process proposals quickly enough. // We had to spend weeks translating documents, but it was worth the effort because everybody could help decide how to proceed. // Publicizing the programme and then being unable to respond to what are seen as critical needs by the local people—like water supply.

Role, effectiveness, and issues related to the national selection committee

Asia: The NSCs have given many volunteer hours during the pilot phase. In the Philippines, the NSC

met every month; in Indonesia, every three weeks. All the national coordinators expressed appreciation for the cooperation and service provided by the NSC members despite their busy schedules. Members provided insights on how the GEF/SGP should run, helped to disseminate information, and in some countries, assisted in appraising projects. At the same time, the evaluator observed that members are often so involved with other commitments that it is difficult to schedule meetings with everyone present.

Africa: The creation of NSCs was welcomed everywhere as a mechanism to enhance transparency. The NSC has had the immediate effect of establishing trust between the parties and institutions participating in the GEF/SGP. In the countries where the NSC mechanism was being introduced for the first time, the GEF/SGP was identified first of all as a framework for democratization of environmental issues, whereby environmental issues ceased to be the business only of specialists. The NSC structure has been fundamental to building an effective GEF/SGP in the region. NSCs have acted as flexible *ad hoc* committees that were able to adapt GEF/SGP guidelines to local conditions. Consequently, they have developed an unusual sense of ownership for the GEF/SGP. In Egypt, the strategy employed by the NSC is exceptional in the region. The NSC provided sustained leadership that caused a large group of NGOs to work together on the same project. This resulted in unusual synergy in addressing environmental issues and an inter-NGO team spirit that encouraged a sense of co-responsibility for solving environmental problems. Overall, the NSCs have played a genuine catalytic role in launching and sustaining the GEF/SGP during the pilot phase. The finding is that the NSC mechanisms established enabled the GEF's four themes to be less constricting than originally thought and more accessible to a broader range of groups.

It should be noted that in Senegal, Zimbabwe, Ghana, Kenya, and Burkina Faso, the GEF/SGP project selection mechanism was significantly informed by the experience of UNDP's Africa 2000 project. The two projects are collaborating well overall, even though their boundaries are not fully established yet.

Latin America: The NSCs are cornerstones of the GEF/SGP, performing their role with commitment on a voluntary basis. They have been effective at

the task of outlining national guidelines and project selection, and in the promotion of the GEF/SGP in public and private forums. They have linked the programme with government and academic circles on an *ad hoc*, informal basis. However, members of the NSC sometimes have to limit their participation because their time is at a premium. A ceiling of effectiveness for NSC members is likely to become apparent as work load increases.

The configuration of NSCs varies depending on political considerations (power and prestige for the NSC), academic and technical support needed (researchers and academic directors), and availability. This was both an asset and a weakness during set up: an asset because it allows for strategic composition of the Committee, yet, it has sometimes left technical areas without expert coverage when it comes to project selection, follow-up and evaluation. The solution has been to seek technical assistance for specific cases by calling on the network of experts known to NSC members.

Sample NC views: The fact that the NSC consists of a group of experts with diverse interests and background is a success story on its own. // Even though NSC members were asked to help identify possible projects, very few took up the challenge. // The NSC scheme is innovative here, and government and civil society institutions are aware of it; they observe how it works to evaluate if the arrangement could be replicable. // The NSC has played a very important role, starting with developing a national strategy, project selection, field visits, and providing technical assistance. Members bring diverse backgrounds and have a sense of ownership of the GEF/SGP and of each project. // The problem is that the NSC members are very busy and don't have the time to regularly attend project review meetings.

Quality and type of support received from the UNDP Country Offices during GEF/SGP set-up

Asia: Working relations between NCs and UNDP Country Offices have been mixed. In four countries, they are good or excellent; in three, there are problems. One issue of contention is the requirement in some UNDP offices to screen every document the NC sends to UNDP HQ. In another instance, the NC expressed frustration over his lack of managerial independence and flexibility; he ends up spending too much energy dealing with

the field office rather than on substantive matters. The problem stems from the field office not having a clear understanding of the roles, tasks and expectations that should drive the relationship between the Country Office and the NC, what the requirements are for fund management, accounting procedures, transportation support and reporting. Especially difficult were situations where a senior NC found him or herself reporting to a very junior UNDP programme officer.

Africa: The quality and type of support received from the local UNDP office were determined by two factors during the pilot—the location of the GEF/SGP office and the amount of support received from HQ. If the office was located at a UNDP Country Office, there was more opportunity for contact with technical and administrative personnel, and the Resident Representative or deputy, and more opportunity to attend programme meetings and to solve problems as they came up. When the office was located outside the UNDP, the GEF/SGP had less visibility and experienced the “out of sight, out of mind” syndrome. In other cases, HQ, recognizing the work overload in some UNDP Country Offices, provided many of the services typically done by the Country Office. While well intended, it resulted in less interaction between the GEF/SGP office and the UNDP, so problems were more difficult to solve when they did emerge. In both cases, the critical factor has been the amount of energy the national coordinator is willing to put into negotiating, clarifying, and solving problems and the willingness of the UNDP Country Office to be flexible and experimental.

Latin America: Some national coordinators felt that UNDP Country Office support depended on staff experience with programmes of this nature, so the whole range of good to bad experience can be found. In a few cases, there were insufficient motivation and commitment on the part of UNDP personnel. Some Country Offices lacked interest and had little appreciation for the GEF/SGP’s significance. Consequently, some officers followed a formal “cookbook” approach toward the programme. Delays with respect to the transfer of funds and related issues were due to unclear definition of responsibilities (“waiting for OPS to provide guidance and directions”). Fortunately, in the majority of cases, UNDP Country Office staff became involved in the “spirit” of the GEF/SGP and were flexible and supportive.

Sample NC views: The UNDP field office was responsible for setting up the programme here, and much effort was put into the task. // By coincidence, at the time of the set-up period, the UNDP Country Office was undergoing changes, and the GEF/SGP nearly got lost in the shuffle. Thanks to the NSC, the programme progressed even when support from the UNDP field office was felt, at the time, insufficient. Since that time, we have a much improved relationship. // The UNDP local office is in great proportion responsible for the good GEF/SGP we have. The NC and the NSC have always had the most enthusiastic support from the Resident Representative, the Deputy Res Rep, and from the Programme Officers.

Quality of HQ Support

Effectiveness of the GEF/SGP operational strategy

Asia: There is agreement among the NCs that the operational strategy was helpful during GEF/SGP set-up. There were instances when there was insufficient understanding of the GEF/SGP by the Country Offices, caused by their lack of experience with programmes of this nature, as in Thailand. In the Philippines and Pakistan, the operational strategy was useful but, appropriately, it was viewed as the local responsibility to shape the programme according to in-country circumstances, and this was the challenge. Overall, the GEF/SGP operational strategy developed by HQ (with consultation) was adequate for launching the programme. Several countries have successfully adapted the strategy, and this adaptive ability is one of the GEF/SGP’s major strengths in the region.

Africa: Generally speaking, GEF/SGP’s staff in the region feel the quality of support from Headquarters is high and that the operational strategy provided a good guide to start the programme. Personal visits from HQ staff to explain details of the GEF/SGP operational strategy were most helpful, and where no direct contact was made, the result was less satisfactory. The strategy’s weakness is that it assumes every party will cooperate to make the GEF/SGP a success, but this is not the case. Specifically, the strategy describes very complex objectives relating global environmental problems to village conditions, and there is a great deal of controversy about this relationship, regarding who is responsible for the environmental

problems, and the amount and type of resources needed. The budget appeared tiny next to the GEF/SGP's operational strategy.

Latin America: During the initial stages of the pilot phase, the operational strategy was not clear to the NC, NSC or UNDP Country Offices, but overall it provided an adequate general "map" that permitted the GEF/SGP country operations to develop individual identities, while clearly all part of the same effort. The basic values—community participation, respect for local custom, GEF focal areas, women and indigenous people's involvement—are aspects of each programme in the region. All of the region's programmes have expressed that the personal attention provided by GEF/SGP Technical Coordinator, Peter Hazlewood, has been a very positive factor in clarifying the overall operational strategy.

Sample NC views: The GEF/SGP pilot phase operational strategy has been very appropriate because it allows for discovering the real potential of the programme through the projects it supports. // The operational strategy has been very helpful in general, but the details always cause the problems. // We received the operational strategy, and then a notice to make a report, without any format guidance. But overall, UNDP HQ was flexible and encouraged decentralized programme development. // Notwithstanding difficulties associated with establishing a new programme, the operational strategy has been effective. The effectiveness, in my view, is a direct result of the easy access to HQ staff and their willingness/eagerness to decentralize decision-making to the NCs and NSCs. // It is not clear how the GEF/SGP fits within the administrative structures of the field office. The programme has no institutional base. // An effective operational strategy does not really exist yet; it is rather in the process of development. HQ has given sufficient guidelines to get started, but an overall strategy is still lacking.

Applicability of the GEF/SGP guidelines

Asia: Guidelines were generally practical, workable, and flexible. They helped the GEF/SGP "kick off" while allowing the NSCs to define proposal requirements and structures as the programme progressed. A general concern raised was that administrative and financial procedures required by the guidelines are regarded as "unrealistically

complicated." The GEF/SGP needs to fulfill certain administrative and financial requirements to ensure accountability, but procedures must be simplified for the GEF/SGP staff and grantees, especially for CBOs. The UNDP Country Office financial officer should be involved in these guideline reform discussions.

Africa: The guideline support received on operational issues or logistics questions has been very good overall. Some difficulties pointed out include: the need for frequent reference to New York for authorization of expenditures (for example, for recruiting national consultants for short-term assignments), and the absence of the opportunity for budgetary negotiations between an NC and HQ.

Latin America: Programme guidelines are adequate but difficult to comply with. The GEF/SGPs are making an earnest effort to implement them in a flexible manner to accommodate local conditions. In some countries, the guidelines relating to community participation or women's involvement cannot be overly stressed without running into cultural resistance. There remains a widely-stated concern by NCs concerning how to significantly involve women.

Project selection procedures as adapted by NSCs appear effective and practical. Overload problems are common, but each NSC has come up with a way to deal with them. Overall, the GEF/SGP guidelines have accomplished an unstated objective: to keep bureaucratic procedures down to a minimum. Individuals involved with the GEF/SGP and other donor programmes in Latin America praise the simplicity of procedures and style of the GEF/SGP. Project selection and funds allocation is a simple process appreciated by CBOs because their proposals do not have to be sophisticated in design and presentation to be considered for funding.

Sample NC views: The guidelines include a lack of clarity as to whether the GEF/SGP is purely a funding mechanism or whether it should have a more proactive nature. // The guidelines were only clear after the regional meeting of national coordinators. // The regular flow of information from the GEF/SGP Technical Coordinator has helped clarify the guidelines. // The guidelines need to be changed to recognize the limitations of the GEF/SGP field programme. The guidelines call for the best of everything—participatory process, high

quality projects that meet many criteria, and regular monitoring, but the resources aren't provided to follow through. // The guidelines are good starting points to set up a working programme. // To date, we have managed to meet the requirements imposed by the UN Office for Project Services (UNOPS). However, to do so is a costly exercise. Many hours are spent finalizing financial reports and answering UNOPS inquiries, some of which we felt were unnecessary. // Clear procedures would certainly help. For instance, we received a guideline to stress community-based participatory approaches, but without information on the necessary methodologies to implement the idea.

HQ support services to GEF/SGP country operations

Asia: HQ has furnished effective support services to GEF/SGP country operations despite the very limited staff resources in New York. At the same time, the NCs need advance notices for reports and other requirements, rather than urgent requests, so that they can fit these into their schedules. It would have been ideal if Headquarters had been able to intermediate tensions between NCs and UNDP Country Offices, thus preventing strains.

Africa: Given the number of countries involved, UNDP HQ support has been good enough, given the resourcefulness of the national coordinators and the national selection committees. After all, the GEF/SGP is supposed to demonstrate that decentralized, small project grant-making can be done in a cost efficient manner. One way to do this is to keep the size of HQ staff at the very minimum to accomplish support tasks.

Latin America: In general, support from Headquarters has been very effective. UNOPS is fairly effective, although during set-ups there were delays in defining responsibilities between the UNDP Country Office and the NSC, and in transferring funds to projects promptly. Though perhaps beyond the capacity of Headquarters, the issue of providing the GEF/SGPs with adequate physical infrastructure and administrative support services has not been adequately addressed. In a few cases, GEF/SGPs hosted by NGOs were not given the contracted support. The NC had to seek help from the UNDP Country Office, only to find no guideline on who was responsible for interceding on behalf of the programme—HQ or the

Country Office. Some of these situations continued to be present during the time period of the evaluation. These problems remain in several countries.

Sample NC views: A highly useful and regular flow of communications has arrived from GEF/SGP HQ, including timely, clear and detailed documentation on the operational aspects of the programme. // We have good response from HQ unless they are traveling, and then there are delays. // HQ provides excellent updates of country programmes, but I would appreciate prompt response to my questions, and tentative datelines for reports so this work does not interfere with my schedule. // HQ staff is extremely approachable, open-minded and encouraging. NCs feel free to discuss confidential problems relating to GEF/SGP operations and can relay on an honest, unbiased opinion. // I sometimes wonder if HQ understands the challenges we face in trying to make the programme work. // The area that needs improvement is OPS. Authorizations are slow and guidelines for project management are not clear. It would be appreciated if we had a definitive format for financial reports. // Since Peter Hazlewood took on the overall coordination of the GEF/SGP, the lack of an overall strategy has not been so critical. He has always been available for consultations by telephone, fax, e-mail, and has always responded promptly and appropriately to all manner of queries and problems. He needs regional coordinators to help with what must be an overwhelming workload.

Decentralization of the GEF/SGP to national coordinators and national selection committees

Asia: Asia has mixed experience with decentralization. In the Philippines, the process has been positive, attributable to a supportive UNDP Country Office and to an enthusiastic programme officer. This is in contrast to Pakistan and Thailand, where the Country Office adheres very strictly to formal procedures, resulting in greatly limited flexibility and little sense of "decentralization." The problem is the consequence of a lack of clarification and dialogue between the Country Offices and UNDP HQ.

Africa: The success of GEF/SGP decentralization depends on the UNDP Country Offices' understanding of the programme and their confidence in the NC and NSC. The Country Offices are correctly concerned about accountability, but the chain of account-

ability remains unclear. Financial officers tend to be very conservative. They need better orientation to help them actively support decentralization.

Latin America: Decentralization of decision-making processes is proceeding well. NSCs are applying guidelines and criteria according to their own judgement. NSCs and NCs are defining the GEF/SGP country strategy to best suit local conditions. Decisions concerning the allocation of funds, follow-up and evaluation, project reports, are all being handled adequately by the national team, and when support from headquarters has been requested, it has, in general, been received. National GEF/SGP teams appear comfortable with their responsibilities, and there is an usually high sense of activity ownership, a key to the teams' high level of motivation. One significant problem with respect to decentralization is that a majority of NCs and NSCs want more decision-making power regarding the GEF/SGP's institutional setting, including selection of the most appropriate host institution, changing it when relations are unsatisfactory, and authority to establish the programme independently if necessary.

Sample NC views: The UNDP Country Office adheres to the operational strategy very strictly, so flexibility of the GEF/SGP has been limited. Clarification/dialogue between the Country Office and HQ on this issue will greatly improve the operation of the programme. // GEF/SGP management here is almost totally decentralized, whereby the NSC is given a free hand in formulating the country strategy and priorities, and for the NC (under the auspices of the host NGO) to manage the programme in the manner most suited to conditions here. // I have found great support for decentralization of the GEF/SGP. // The GEF/SGP is definitely decentralized—perhaps too much so. The fact that the GEF/SGP is a UNDP-GEF programme seems lacking or irrelevant. It is important to somehow convey that each country GEF/SGP is part of a worldwide effort to address global problems with local, community-based solutions. While decision-making is definitely in the hands of the NC and the NSC, there are benefits to be derived from a stronger relationship with UNDP programmes.

Areas needing improvement

Asia: 1) Regular communication between HQ and the GEF/SGPs, especially related to the experience

of other country programmes, lessons learned, and networking. The material currently received doesn't appear aimed at the country programmes but to some other internal UN audience. 2) A system of advance notice for special reporting needs and other additional tasks is needed which would allow NCs to prepare adequately without disruption of original work plans. 3) Clarification of division of responsibility from HQ to the Country Office to the national coordinator. Clarification is especially needed on the degree of flexibility allowed to the NC in the management of the programme. 4) Simplification of administrative and financial requirements and a more comprehensive orientation and explanation of these requirements for all parties concerned very much needed. 5) The national coordinators are eager to have access to staff development opportunities.

Africa: The NCs need help to make sure that their roles in relation to the UNDP Country Offices and to the mainstream GEF are clear. They need dependable transportation, an imprest fund, and a budget they can use to grant funds on their own for pre-proposal work. Similarly, they should be able to employ short-term consultants without approval. Most of all, they need an overall strategy for the GEF/SGP that moves beyond grant-making.

Latin America: The main issues are personnel policies and GEF/SGP institutional identity. The salary structure among NCs is excessively varied, causing some concern among those who are at the low end of the scale. A related issue is the NCs institutional identity with the UNDP Country Office. Many NCs would like it to be stronger, even if they are located within a host NGO. Specific points include: greater definition of GEF/SGP limits and conditions to reduce misunderstanding; increased funding for capacity training, technical assistance and information sharing among projects, and for regional initiatives and strategy development; reform of the \$50,000 funding limit; introduction of a system to recognize the work of NSC members; increased support for the development of national strategies for community-based environmental initiatives that might include regional activities bringing together donor, governments, academics and NGOs; improved strategies to promote "modeling" and "replication" of successful projects; and consideration of the possibility of incorporating NCs into the UNDP Country Office personnel structure on a

contractual, non-permanent basis to reduce anomalies in compensation and benefits.

Sample NC views: Production of an overall GEF/SGP manual to assist new NCs; start mission visits in all countries where the NC is to be based in UNDP Country Offices; open lines of communication with GEF/SGP HQ staff on confidential matters, especially those regarding the working environment in UNDP offices; production of an annual calendar of events to aid in planning; an increase in the support staff at HQ to speed up response time. // OPS support is almost unnecessary and its functions could be taken over by the UNDP Country Office. // Help in opening the dialogue with the macro GEF. // Electronic communications should be enhanced in all countries. // The budget lines authorized from HQ should reflect the budget prepared by the NC. The UNDP Country Office should be authorized to revise budget lines authorized by OPS without requiring additional approval from HQ. Additional training is required for NCs in GEF criteria, programme management, and UN administrative and decision-making systems. A regional backstopping officer is needed to provide advice on project eligibility and overall monitoring. Establish imprest accounts, and allow consultancy and equipment decisions to be made at the country level. // Additional staff are needed if more grants are to be made. // Develop an overall strategy to link the country programmes.

Project Portfolio Management

Role and effectiveness of the national coordinator position

Asia: The NCs play the pivotal role in GEF/SGP operations and are the critical players in problem solving. In general, the NCs are widely accepted in the NGO community—no easy task. They are highly committed and skilled individuals who have been key in spreading awareness about the GEF/SGP, and who are responsible for the myriad activities directly and indirectly related to the programme. Workload management is their primary challenge. In Pakistan, the NC workload is tremendous because one individual is both the GEF/SGP and LIFE Programme coordinator. In the Philippines, the NC is part-time because she is also the executive director of the host NGO, and is assisted by a project officer. Sri Lanka is unique

because a UNDP National Programme Officer is acting as the GEF/SGP national coordinator on a part-time basis—time allocation is a problem. In Nepal, the NC was a part-time position which did not allow sufficient time to carry out either the GEF/SGP or outside responsibilities. In Papua New Guinea (PNG), the NC does most of the project reviews and technical assistance.

Most NCs agree that the present load of 28-30 projects is the maximum that can be reasonably handled without the programme losing effectiveness. The Philippine GEF/SGP envisions needing an extra programme officer to handle additional activity. The Thai NC believes the existing number of projects should be the maximum, given follow-up responsibilities. The Indonesian NC has strongly voiced her concern that programme quality, particularly technical assistance provided to grantees, would suffer with an increased workload without additional staff.

The lack of a good working relationship with the UNDP Country Office is the major cause of "workload stress"—dealing with a "very bureaucratic organization"—e.g., the excessive paperwork involved in requesting disbursements for items that are part of an approved budget and work plan or in having to deal with all the minute details of financial accounting, such as collecting and photocopying every receipt spent by the project proponents (since discontinued).

Some NCs' perception of a lack of managerial independence and flexibility has diminished their role in portfolio management and their capacity to deal with strategic GEF/SGP issues. The basic point raised was—does UNDP want to manage inputs or outputs? The managerial independence sought was defined as "leaving the management of inputs to the NC, with outputs evaluated periodically by the UNDP. GEF/SGP work should be based on a workplan drawn up by the NC with input and agreement from UNDP and the NSC."

Another issue hampering NC activities in at least three countries is the lack of access to a vehicle for project site visits. The use of a UNDP vehicle, while in principle possible, in practice is often unavailable or subject to numerous conditions by the Country Office. The hiring of commercial vehicles was resorted to in Thailand and Pakistan, as was the goodwill of NGOs located near the

project areas, but this is unsustainable in the long run and wastes NC time.

The national coordinator's role calls for a full-time position. This will be even more evident in the next phase as NC responsibilities grow. Presently, a large proportion of time of the NCs is spent on administrative matters, anywhere from 40 to 60 percent, followed generally by technical support of about 30 percent and 10 percent in the field, and 10 percent on representation.

Africa: The national coordinators are the pivotal link among all GEF/SGP operations; the main catalysts, facilitators, and problem solvers; and the GEF/SGP's most active upstream and downstream advisers between NGOs and grassroots groups, and the NSC and UNDP. Considerable variations in NC style are evident in the region, and it is clear that the NC's personal qualities substantially influence the form the GEF/SGP acquires. Without capable, independent acting NCs, the GEF/SGP will lose its unique characteristics. The term national coordinator is inappropriate; national GEF/SGP manager more correctly describes their role.

Latin America: National coordinators skillfully manage their portfolios despite their unusual diversity of projects. Overall, the NCs are skilled communicators who have established good working relationships with the UNDP Country Offices, the NSCs, and the NGO and academic communities at large. In the countries visited by the evaluation team, UNDP personnel, the NSC, and grantee project directors expressed respect and appreciation for their national coordinators and indicated how much the GEF/SGP depends on them. NC effectiveness is in great part determined by the relationship established with the host institution. There have been instances of less-than-enthusiastic support on the part of UNDP project officers and host NGOs. In one case an NGO refused to provide the services required under its contract with UNOPS, so the NC was forced to set up independent offices. The pros and cons of host agencies need to be re-examined. Overall, the GEF/SGPs are working at close to their maximum capacity, and additional staff are needed to maintain current effectiveness or to assume additional work under the operational phase.

Sample NC views: The position needs someone good in administration and personal relations with

very high social sensibility, and even more than advanced expertise in natural resources management. // I believe that we have all been reasonably effective and successful. However, from the perspective of being based in an NGO coordinating a UNDP programme, I have come to find that this sort of "split allegiance" between a host NGO and UNDP can be trying at times. // NC effectiveness has been limited by a lack of administrative support staff, the busy nature and hectic travel schedule of NSC members, and a very limited travel budget. // The NC role is the most important because it is the focal point for all activities regarding GEF/SGP operations. The NC does not only act as the programme manager but he also acts as the chief technical advisor. // The GEF/SGP is very labor-intensive and requires constant NC attention. // The NC role is to do everything to make the GEF/SGP successful. The work demands both technical and managerial knowledge. NC deficiencies in either of these areas will contribute to the poor quality of the programme. // New development of the GEF/SGP will require a review of the current NC job description. An assistant NC is required for smooth running of the daily office routines and to ensure that the GEF/SGP would still function if one staff is away or leaves the job. // It has been very challenging trying to bridge the gap between a very bureaucratic organization and the loosely managed CBOs. I have difficulties catching up with the paperwork. My efficacy is significantly reduced by the dual language problem, which is enormous. // NC effectiveness depends on a wide variety of well-developed skills, vision, initiative, and a willingness to take risks. Effectiveness is compromised by the volume of work, a too small secretariat, and the unrecognized position of a national project professional, and his/her isolation from mainstream UNDP or GEF operations. // The NC has been described as the "back-seat driver with the brain" — a role that makes stakeholders and grantees feel confident enough to do their work, knowing there is a helper at hand, and yet not losing the sense of ownership of their projects.

The project cycle and project selection criteria

Asia: Over a thousand proposals were reviewed by the GEF/SGP in the seven countries included in the evaluation. Nepal had the highest number with 400, while PNG had the fewest at 42. Overall, 169 were approved for funding by March 1995.

The number of projects approved ranged from seven (Sri Lanka) to 42 in Nepal. About 30 percent of proposals received were referred to other donors. Several GEF/SGP projects are completed and have received additional support from other donors. The Philippines took the initiative of proactively seeking proposals after discerning a lack of quality proposals related to GEF themes.

As expected, many more project proposals were submitted by NGOs rather than CBOs, and there were more NGO than CBO awards. In the Philippines, there were only a few CBO awards, while in Pakistan and PNG, there were slightly more projects from CBOs approved. Projects awarded grants generally fall under two GEF themes: protection of biodiversity and reduction of greenhouse gases or climate change. Under the latter theme, most projects involve tree plantations or reforestation activities. Pakistan and Nepal had significant numbers of such projects, while the Philippines and Indonesia had more biodiversity projects.

Overall, the NSCs have developed sophisticated project screening and selection processes. A two-stage track is generally used: 1) submission of a two to three page concept paper for initial review and 2) if approved by the NSC, the concept is developed into a full proposal by the proponent. The NC completes a preliminary assessment of all the full proposals received, based on the guidelines and usually involving a field visit. These are then reviewed and acted upon by the NSC. Unapproved but good projects are sometimes referred to other donors. In the Philippines, project criteria require proponents to include a project sustainability strategy in the implementation plan that describes the NGO's phase-out from the target community. A resulting Memorandum of Agreement (MOA) between the NGO and the CBO (village) subsequently forms part of the MOA between the proponent and the GEF/SGP. The evaluation team considers this approach innovative.

On the average, project proposal processing requires 2–12 months depending on the country, with an average of five months. The 12-month processing time in Sri Lanka was evidently caused by the NCs' lack of time, as she has other responsibilities as a UNDP programme officer.

Africa: In general, a viable project screening and selection process has been established, and GEF/

SGP criteria are applied. The problem is that many NGOs and CBOs are weak and need assistance to undertake even simple projects related to the GEF focal areas. Another issue is the very high response rate to the GEF/SGP invitation to submit proposals which overwhelmed some programmes. NC and NSC ability to review the projects was overextended. Most proposals come from NGOs, and NSCs typically have no effective strategy to promote GEF/SGP awareness among village-based grass-roots groups so they could make direct submissions to the programme. Overall, the GEF/SGP depends on NGOs to intermediate with village organizations, and given the circumstances and resources available, this is justified.

A sample of accepted-to-reviewed proposals is as follows:

Mali	Ratio 18 to 151	11.9 percent
Egypt	Ratio 10 to 67	14.9 percent
Kenya	Ratio 21 to 213	9.8 percent
Senegal	Ratio 9 to 72	12.5 percent
Botswana	Ratio 8 to 42	19.0 percent
Jordan	Ratio 11 to 33	33.3 percent
Total	Ratio 77 to 578	13.3 percent

The ratio indicates a strong winnowing process. It also indicates a very low understanding of GEF/SGP criteria and objectives, and supports NC calls for more resources for public education and awareness about GEF focal areas as they relate to local environmental problems.

Latin America: A strong project screening and selection process drives the GEF/SGP in Latin America. GEF/SGP criteria are consistently applied, though there may be an indirect relationship with GEF objectives. Project duration has been an issue from the start, given the variable nature of the diverse proposals submitted for GEF/SGP review. Some projects require only six months, and others several years. The latter is particularly true for regional projects such as the nationwide Manati Study in the Dominican Republic, or for those with multiple components, such as the Yum Balam project in the Yucatan Peninsula of Mexico, where natural cycles influence project design and duration. One GEF/SGP's internal evaluation suggested that social processes, especially among indigenous communities, have their own culturally determined time frames and cycles that have to be taken into consideration.

These have to be respected, particularly considering the GEF/SGP guidelines concerning participation of indigenous peoples and the incorporation of their traditions into the projects.

Sample NC views: The project cycle is very effective and very labor-intensive. // In practice, we call for proposals whenever we receive information on fund allocation so that potential grantees are not disappointed. // The project cycle is working well, largely owing to the extra hours put in by the programme personnel at no extra cost to UNDP HQ. // Improvements may be required as many more projects are approved, and monitoring is expected to take up much of the NC's time. // Each proposal is reviewed considering the following elements: four GEF criteria, 13 selection criteria, six prioritization standards, and nine elements related to our National Strategy. // There is strong agreement among the majority of NSC members to rigorously apply GEF criteria, and non-compliance is the major reason for proposal rejection. // The project cycle works fine, but given the large quantity of proposals, the NSC members find it hard to take the time to read them all, something they find necessary if they are responsible for approving or rejecting the projects. // The GEF/SGP appreciates the weakness in the technical know-how of prospective grantees and does not hold this against them. We accept "weak" submissions as pre-proposals and then help to develop a better written proposal with appropriate cost budget.

National coordinator role in solving grantee problems

Asia: Overall, national coordinators spend about 25 percent of their time assisting grantees to solve project implementation problems. In some cases, this means intervening with local government on behalf of a grantee-CBO, as was the case in Thailand. The PNG NC helps prospective grantees with proposal preparation problems before implementation and technical issues later on. In Pakistan, the NC's involvement is limited to provision of information about support resources to grantees. In Indonesia, the NC does not have any role in this area. But overall, NC support to grantees has been a critical factor, and is the source of concern as the portfolios expand.

Africa: The NC is involved in all aspects of grantee problem solving. Who else is there to turn to? The range of help includes giving advice, arranging with

the NSC or an outside agency to provide technical assistance, and personally aiding the grantee. The difficulty is the broad knowledge the NC must have to effectively perform this function. Overall, the NCs have been very creative in helping grantees, but as the portfolio enlarges and more complicated projects are accepted, the NC will likely need more help. The question is—is the GEF/SGP a funding mechanism or a capacity-building project or both?

Latin America: In most instances, NCs are involved in solving project technical problems by providing advice and calling on the assistance of experts. In Mexico, the NC developed a project to provide TA to GEF/SGP grantees. Some programmes are identifying grantee technical needs in advance which allows them to set up an assistance plan as part of the project. Such a system relieves the NC from some of the TA pressure placed on her/him by the projects.

Sample NC views: Most of the grantees are well-established enough to carry out their respective projects without additional assistance, but NCs have to be prepared to offer guidance and assistance to less experienced NGOs whenever required. There is presently very little involvement in the implementation of projects. // The NC is very much involved in helping grantees solve problems related to the government, other NGOs, and technical issues. // The NC is deeply involved in identifying projects and helping to prepare a proposal that is technically sound. // The NC's role is to identify the institutions that can help a grantee in specific fields. // NCs urgently need the ability to employ local short-term consultants who can provide TA. // Almost all of the grantees have consulted us about problems and difficulties as they arise. My biggest self-criticism is not being able to spend enough time in the field monitoring projects. // Generally, groups prefer to address their own internal problems and the NSC is of the opinion that they should be contacted by grantees with problems rather than the NC. // The NC is the first point of call for solving grantee problems. The issues are complex and much time is spent, particularly with CBOs that lack technical capacity to carry out GEF-related objectives.

Monitoring and evaluation of project and financial management objectives

Asia: GEF/SGPs have set up a variety of similar monitoring methods and systems which are

substantial and adequate for the pilot phase. There are serious attempts to make the monitoring participatory and less intimidating to grantees. Grantees have stated that monitoring should not be focused on written reports, which many are unable to prepare, but on project visits by GEF/SGP staff. Since there is only one staff member, the NC, and the voluntary NSC, this request is impossible to implement.

Elements common to monitoring systems include quarterly written progress reports, including financial reports and field visits. Effort is made to visit projects at least twice per year. Release of budget installments is dependent on submission of progress reports. In Pakistan, the release of funds is based on a monitoring visit by the UNDP project officer, but serious delays in funds release have resulted in some cases. In several countries, grantees are brought together in workshops to discuss project implementation problems, successes, and failures, and this appears to be a very effective way to improve performance.

In Sri Lanka, a government agency extended its monitoring support to grantees. In the Philippines, monitoring of a project was subcontracted to an affiliate of the host NGO based in the same province as the project. The Thai NC is exploring a similar arrangement. NSC members assist in monitoring activities, but the viability of this is in doubt, and raises the question of NSC compensation for time and monitoring expenses.

Africa: Project monitoring and evaluation are the responsibility of the national coordinator. NSC member involvement varies: it is systematic in Senegal and Mali, and less so in Egypt and Kenya. The NSC role in monitoring should be reassessed for the operational phase to ensure quality. An NSC composed of volunteers does not have the time, and sometimes not the ability, to play a positive monitoring and evaluation role, yet participation is very much desired. It can help the NC to keep a sharp focus, and provide the sense of team rather than individual effort in GEF/SGP implementation. The NSCs also provide a source of outside assessment and criticism from which the NCs benefit. In any case, the NCs clearly need the authority and means to employ local consultants for TA and for monitoring and evaluation assistance when projects are beyond their technical knowledge.

Latin America: NCs conduct regular supervision of projects, visiting each several times throughout the project cycle. Grantees report on a regular basis, and NCs share these reports with the NSCs. Usually, the NC makes personal contact with the grantee to determine why implementation is not proceeding according to plan. If necessary, funds are temporarily withheld and the members of the NSC are advised of the situation. If the project does not fulfill its commitment according to the contract for other than unavoidable causes, funds are suspended and the grantee is asked to reimburse the GEF/SGP. Cases where funds have been inappropriately used have been minimal.

Sample NC views: Projects are monitored two or three times per quarter. // Both the NC and the NSC play a role, and frequency depends on the capacity shown by the implementing NGO or CBO. // As instructed by OPS Thailand, we collect original receipts from grantees and submit certified financial reports and receipts to that office. Projects are visited at least twice per year. // Guidelines included inadequate provisions for monitoring and performance indicators. We had to establish our own method of pre-selecting, monitoring, and evaluating GEF/SGP activities, and it is far from perfect. At present, we don't have a monitoring or evaluation scheme. // Grantees provide a mid-project report, and the NC visits whenever possible—the travel budget is very limited. // The NSC assigned \$5,000 for an operational evaluation based in workshops held in participating communities. Positive and negative results were analyzed and lessons learned were documented. // Projects in different regions are assigned to specific NSC members who are introduced to grantees before they start monitoring. // The problems identified on monitoring visits are usually one or more of the following: people can't agree or get along, they don't know how to keep accounts, they don't know how to do something, or somebody didn't do something they promised to.

National selection committee role

Asia: The NSC must be strategic, going beyond project appraisal, selection, and monitoring, as important as these are. Many TA and monitoring responsibilities can be contracted, so the NCs and NSCs have time to stay current on their nation's environmental and development issues and with the changing role of civil society in addressing

them. Stronger links need to be made to a wider variety of interest groups, including donors, community-based groups, business, local governments, academe, religious, media, and citizen's groups. These can provide opportunities for partnering, which is essential if GEF/SGP objectives are to be realized.

Africa: NSCs make monitoring visits when time permits. The visits are usually two to three hours per project, and sometimes include mid-term evaluations. The NCs review proposals before submission to the NSC to produce a reasonable number for consideration. While the NSCs appreciate this work, they wish the NCs would provide notes on the reasons for rejection to increase the overall sense of transparent process, one of the GEF/SGP's main strengths. Overall, too much is being asked of the NSCs, a voluntary group composed of very busy people. They set policy, select projects, visit project sites, and are involved in solving problems. If the NSCs feel overloaded or that too much advantage is taken of their interest, they will become disillusioned.

The large gap in the number of proposals received to the number approved is caused by misunderstandings about the GEF/SGP criteria. An important GEF/SGP function is to explain the programme sufficiently so that the ratio of received and approved proposals is better balanced.

Latin America: The NSC role is to select projects that best meet GEF/SGP criteria and guidelines. Portfolio quality is based on the NSC's collective understanding of the criteria. Overall, NSCs in the region have a good grasp of project selection criteria, but are weaker on establishing a larger strategy in which the portfolio works. The NSCs also help by referring good but unapproved projects to other donors. (80 in the region). Next to the NCs, the NSC is the most important element in the GEF/SGP.

Organizations submitting projects would like NSC members to visit potential project sites as part of the project selection process. While this may prove helpful to potential grantees, it will undoubtedly overburden already taxed NSCs. Moreover, the NSC may want to remain distant from, and anonymous to, those who are presenting projects, in order to avoid unacceptable pressures being exerted on them during the project selection phase.

Some means to express the GEF/SGP's gratitude to the NSCs must be established.

Sample NC views: The current composition of the NSC is being re-examined with a view to broadening and rotating its membership every two years. // NSC members appeared to be poorly motivated at first, and did not take pains to really understand the GEF/SGP philosophy. Their role was reduced to screening proposals. // The NSC problem is time—they just don't have enough of it. // Both the host NGO and the former UNDP programme officer stated it was not possible to change the composition of the NSC nor its attributes, but last year's regional NC meeting made it clear that it could be changed. The NSC will now have a strategic advisory function and will also take an active role in project monitoring. // The NSC was able to provide invaluable advice based on their familiarity with the NGO/CBO movement in the region, and their familiarity with sustainable development issues. However, their busy travel schedules limit their involvement and cause delays in project approval. // The extra role of reviewing proposals and monitoring projects will demand more time of NSC members who are already holding very demanding jobs. // As an independent body, the NSC is very effective in steering the GEF/SGP direction in this country. However, it has been difficult in the past 12 months to hold meetings in which all members attend. // We have good NSC cooperation despite their tight schedule and terrible traffic congestion. However, due to a limited travel budget, the composition of the present NSC is very centralized—all except one are based in the capital city. We have been criticized by regional NGOs and CBOs that they are not fairly represented. // Effectiveness is sometimes marred by the caliber of NSC members. A good technical and well-informed background is required to internalize GEF criteria. A committee with heavy leaning on community development is often critical to adherence to GEF criteria. // Members representing NGOs and the one representing UNDP are more effective than those representing other sectors. They dedicate more time and are more committed.

Project Portfolio Objectives

Feasibility of GEF support for small-scale, community-focused activities related to GEF objectives

Asia: The GEF/SGP has reasonably demonstrated the feasibility of GEF support for small-scale,

community-based activities relevant to local and GEF global priorities. With widespread publicity about the GEF/SGP, over 1,000 NGOs and CBOs applied for support, and 169 received approval for their projects. The GEF/SGPs have managed to keep GEF focal areas as a project selection filter, and the majority of projects support small-scale, community type activities. The projects visited by the evaluator were concrete examples of activities that meet guideline criteria and also have potential for meeting their objectives. An issue affecting the success of several projects was the long delay in receiving funds, partly due to bureaucratic delays at the Country Office. This was particularly hard on agricultural projects where timeliness was a major factor in project implementation.

Africa: Overall, pilot phase objectives were attained. Practically no "field" projects relating to protection of the ozone layer (as distinct from "awareness promotion" or "study" projects) were found in the GEF/SGP portfolio. Seventy-one percent of the portfolio relates to biodiversity, 25 percent to climate change, and 4 percent to other, including international waters. In Senegal, protection of Hann Bay (Atlantic Ocean) is classified under international waters, as is the conservation of Lake Kanyaboli in Kenya and the protection of Djerba Island in Tunisia. These projects demonstrate that NGOs can become effectively involved in the international water GEF focal area, contrary to popular opinion. The issue of desertification was raised again as an important topic to be reconsidered. Some GEF/SGPs in the region proposed that it should be a fifth theme in its own right.

Latin America: Project portfolios in the region demonstrate the feasibility and desirability of small-scale community-based activities. They demonstrate the voluntary energy to be tapped at the grassroots and the diversity of ideas and initiatives that result. Overall, communities responded with a larger than expected number of proposals; the NSCs selected proposals that engaged the community in working towards local/global environmental objectives; and the majority of projects are reported to be on their way to achieving their internal objectives. Generally, only one or two projects in portfolios of 15 to 20 have experienced significant technical and/or financial problems. Most projects recognize the value of local traditions and technologies, and enjoy an unusual level of community support.

Sample NC views: Our GEF/SGP has achieved almost every pilot phase objective. Not one of the projects is similar to another, yet all of them have in common that they demonstrate the feasibility of GEF support for small-scale, community-based activities. // The portfolio demonstrates the linkage between small-scale community-based activities and global problems. // There is significant potential for GEF/SGP to support GEF global objectives, but the GEF/SGP will need more recognition than it currently enjoys. However, the distinct character of the GEF/SGP lies in its bottom-up approach which is vastly different from that of the larger and more conventional GEF programmes. // YES!!! The GEF/SGP is the only known programme that is giving grants to NGOs and CBOs that work with communities to carry out biodiversity conservation. // The entire portfolio of approved projects demonstrates the feasibility of GEF funding. All projects meet one or more of the GEF objectives, which would not have been achieved through traditional approaches. // The GEF/SGP is the only global follow-up on Agenda 21 that actually has projects funded in the field. // The initial projects were largely not community-based, but the new projects do demonstrate the feasibility of GEF support for small-scale, community-based activities.

Direct and indirect support for activities related to GEF priorities

Asia: The Asia GEF/SGP portfolio represents a serious effort to fund projects linked with GEF focal areas. Most fall under the theme of protection or conservation of biodiversity, followed by reduction in greenhouse gases through various tree-planting or reforestation projects, or a combination of the two themes. There were very few projects related to protection of international waters, and none at all for reduction of ozone layer depletion. Education, information and awareness-building projects targeted at students and youth, communities or the general public focused on environmental concerns in general and on GEF themes in particular are evident. A smaller number focus on indirect support activities such as research, data collection, training, networking and advocacy. There were no projects on "development of NGO priorities and strategies for addressing GEF problem areas at national and community levels." As the GEF/SGP moves to the next phase, it should assess how it can support initiatives to help shape GEF/SGP priori-

ties in-country. Annual forums (such as FARE in Thailand) that bring together environmental groups, experts, government, business, and the media to map out GEF-related needs and opportunities is an example that the GEF/SGP should support on a region-wide basis.

Africa: There is constant stress between activity to build capacity to work on GEF global themes at the local level, and actually doing the projects directly linked to the GEF. Overall, the GEF/SGPs in the region have made a good effort to stay focused on GEF priorities. The situation depends on local circumstances. Kenya has good GEF-related projects—environmental awareness is very refined because of its tourism, nature protection policies, the presence of many environmental NGOs, and the location in-country of ELCI and the UN Environment Programme. Mali has the longest tradition of development NGOs and the longest tradition of inter-NGO coordination. Egypt is the country which officially, contrary to what is generally thought, has given the most recognition to NGOs and grassroots associations (over 14,000 registered). The ability to meet GEF focal area criteria depends on these different kinds of factors. The differences should be recognized in the GEF/SGP implementation strategy. It required a number of awareness seminars to relate the GEF to national environmental issues. Egypt and Zimbabwe finally structured their programmes around the unavoidable central issue of water.

Latin America: Projects were adequately related to GEF environmental objectives, indicating good understanding by CBOs and NGOs of the importance of local problems to global environmental issues. Project portfolios are concentrated in biodiversity conservation and global warming, most likely because communities readily recognize the relationship between local environmental problems and these two global issues.

Sample NC views: The selection criteria were very clear. If a proposal did not fit under the GEF priorities, it was excluded. // This has been a *sine qua non* for project funding proposals. // There is a large proportion of projects related to biodiversity conservation and global warming, only one in the field of ozone depletion, and none related to international waters—but all are directly related to GEF priorities. Biodiversity is currently the only thematic area being addressed by GEF/SGP grant

recipients. The main reason is the grants are much too small to carry out significant and meaningful activities on the other three GEF focal areas.

Degree that affected communities participate in the project design and implementation processes

Asia: Community participation is an important consideration in GEF/SGP project selection. Evaluator site visits indicate that community participation is at the implementation level, rather than in the identification or design of the project. Most projects are conceptualized by NGOs, sometimes with consultation from community groups. In Sri Lanka, projects were formulated by a representative group within the community where the project activities are taking place. In Thailand, communities were involved in design, implementation, and management of the artificial reef project. In Pakistan, a scrub forest conservation project showed a high level of interest among community members. In the Philippines, a project to build up capacities of a farmers' organization on indigenous agro-forestry species had 95 percent of the organization participating in project management and implementation. In Nepal, the 1994 GEF/SGP evaluation showed that for some projects intermediate NGOs, not community members, were basically doing implementation. In some cases, there was inadequate consultation with the community, so it felt less involved with the projects. Through reorganization of the GEF/SGP in Nepal, these issues are being addressed. The GEF/SGP needs to establish a common indicator to measure affected community participation in project development and management. Several well done studies have been done that could be used as resources. Without this, this important characteristic of the GEF/SGP will be consigned to rhetoric.

Africa: NCs estimate the level and type of community participation during project proposal development, and then during monitoring and evaluation. In Mali, the pisciculture project in the Segou region was identified by the local population. The Bozo fishermen actually started some activities before the GEF/SGP was established. The GEF/SGP grant focused on strengthening traditional fishing practices that protect biodiversity while providing sustainable income. In Kenya, awareness activities conducted by the NGO OSIENALA with fisher

groups on the conservation of Lake Kanyaboli gave rise to community activity: five committees (of fishermen, farmers, women, craftsmen and young people) have been established, and awareness of the protection of the lake's biological diversity appears high. A follow-on GEF/SGP award supports alternative income generating activities. Again in Kenya, the butterfly breeding project to relieve pressure on the Arabuko Sokoke Forest is leading the population to make fairly advanced proposals, including issuance of permits for limited harvesting of protected area resources. This is a serious proposal because the community has a good grasp of the need for conservation, partly as a result of the GEF/SGP award. In Egypt, the Bashaicha biogas project is proving to be a successful demonstration activity; a hundred farmers from neighboring villages have entered their names on the project's waiting list.

Regarding overall direct grassroots involvement, 38.5 percent of the portfolio from the 11 participating countries in the region (three Arab and eight sub-Saharan African) directly supports community-based organizations. This figure must be treated with some caution, but nonetheless is a strong trend in the right direction.

Latin America: Some GEF/SGPs require that intermediary NGOs obtain community support in writing when submitting a proposal to assure that projects have a community base. One GEF/SGP project funds NGO/CBO training in the use of participatory methodologies, helping them to more fully engage communities in project design and implementation. The majority of proposals received are from NGOs rather than CBOs. The low educational skills found among rural communities in the Latin American region indicate that community-based work will continue to rely on intermediary NGOs. Some NCs argue that intermediary NGOs play a most important role given their capacity to mobilize communities and because of their unique ability to negotiate with governments and with other organizations on behalf of local communities.

Sample NC views: Community participation is a strong point of our portfolio, and five projects incorporate communities in the entire project cycle from identification through evaluation. // The greater the participation, the greater the project success rate. // Most participation is in project execution, and not in planning. // Claims of

participatory process by many international agencies are grossly exaggerated. A mission which may take two or three days and whose team members meet with local organizations will then be reported as "community participation." To avoid exaggeration, it should be emphasized that the GEF/SGP approach is largely different than its (larger) sister programmes. The fact that community participation is a genuine practice in the GEF/SGP should not be used as a flag to promote other GEF activities [unless they intend to follow the GEF/SGP example]. The majority of GEF/SGP-funded activities are in remote areas, and the extent that a community can clearly identify the root cause of environmental degradation may be constrained by their knowledge and skills. In such cases, it is an NGO who would articulate the options in a language that would be understood by institutions such as and the UNDP or GEF. // Very few organizations really appreciate what is involved in creating opportunities for genuine participation, while at the same time we make communities do everything our way—proposal outlines, regular reports, and evaluation criteria. // Sixty percent of our projects involve significant community participation at their planning and/or implementation stages. The idea of community participation at the project identification, design, monitoring, and evaluation stage is new to NGOs in this area. // Our GEF/SGP requires that proposals include a formal agreement signed by project participants or their representatives indicating their agreement with the project, its objectives, and their wish to be involved. This is not planning and designing, but it helps to guarantee a certain degree of participation in the process. Impediments to participation include lack of knowledge about methodologies and techniques, and funding for "pre-project" participatory assessment of environmental/community needs and problems that could be used in identifying and planning projects. // Indigenous knowledge has been found indispensable to project implementation.

Degree that women and indigenous groups contributed to project design and implementation and have benefited from achievement of project objectives

Asia: While the project criteria specifically mention the participation of women, this appears to be generally at the level of implementation rather than at the design stage, except where the projects

have come from women's groups. When the projects have alternative income generating components, women's participation in the implementation has been more evident, as was shown in Thailand. If women are to be a major target group of the GEF/SGP, goals need to be set on the number of projects that should come from women's groups. This could be set based on an assessment by the NSC regarding what is realistic given the state of NGO/CBO development, and particularly women's groups in the country. Better indicators are needed for measuring women's involvement in projects. Considering the valuable role women play in the protection of the environment, women must be given special priority, and not token importance in the GEF/SGP.

Africa: A number of GEF/SGP projects have targeted women: of the various African and Arab programmes, Côte d'Ivoire's achievements in supporting women and grassroots groups are notable (42 percent of the portfolio). Examples include:

- "Cassava and Biogas" (more than 120 women beneficiaries)
- "Agricultural Soil and Biodiversity Management" (women are the main users of "Carapa Procera" oil for manufacturing the local therapeutic soap)
- The "Céphalophes" project of the Soroptimist International Club of Côte d'Ivoire (initiated by a women's NGO)
- "Improvement of Shea Butter Extraction" (benefits primarily women)
- "Beekeeping and Protection of Biodiversity" (marketing of honey is essentially a women's activity).

These examples are encouraging, but appear to be exceptional. A strategy and plan to promote women's participation remains to be developed.

Latin America: Indigenous women have made significant contributions to project design and implementation in the region, as in the case of the Lorena Stoves project in the Bolivian highlands and the Maya Women's Textile project in Yucatan. Still, one of the main concerns voiced by NCs is how to involve more women in community projects. Any attempt must take cultural factors into account: in the highlands of Bolivia, the Aymara People's traditions encourage community teams of both genders to work on the promotion of

the Lorena stoves, but the inclusion of women in environmental protection projects among the fishermen of Ria Lagartos, Yucatan, would not be acceptable to them without preparatory work.

Sample NC views: Women are clearly the managers and have participated in project design and management. // Although there is no project targeted specifically at women, efforts are being made to promote their involvement in environmental management through some GEF/SGP supported projects. // A gender framework should not be limited to encouraging women's participation in projects, but rather on the basis of an analysis of relations between men and women, their respective roles and responsibilities with the community (division of labor by gender and generation, decision-making, social and political participation), then design GEF/SGP projects that reflect gender identities and conditions. // Forty percent of our projects involve significant participation by women. // Fifty-eight percent of the portfolio is focused on indigenous people, and most of them are managed by CBOs. // Women's and indigenous group participation has to be considered in our national context. It is very much part of our programme, but it is not as clear as the UN's papers on these issues would like it to be. // The GEF/SGP's administrative procedures preclude really attracting these groups—they usually contact us through an established NGO. // Participation of women in project design needs improvement.

Evidence of innovative approaches (in the local context) related to GEF issues

Asia: A review of approved projects shows that innovation is a major consideration in many projects. Innovation usually means the introduction of technologies or ways of doing things to address specific environmental issues, e.g., making artificial reefs to speed up the recovery of the marine resources in Songkhla province in Thailand. In the Philippines, it's the installation of a hydro-power plant using indigenous materials. An example of soft technology is the community-based management and use of timber products in a way that protects forest resources while addressing local livelihood needs.

In PNG, innovation has meant the development of good working relationships among government, NGO, and community leaders in carrying out

projects in areas where these relationships did not previously exist.

Africa: Innovation involves significant risk and considerable organizational skill. The GEF/SGP is very young and needs experience before it takes a leadership role in supporting innovative technology or process. To qualify as innovative, the GEF/SGP would have to develop a knowledge of all that has come before in environment/development projects, and this is not possible over the short term. The GEF/SGP should stress innovation "in the local" context whereby a proven technology or process is used as a model for local project development. Given this definition, there is considerable innovation in the region's GEF/SGPs.

Latin America: Innovation is present in GEF/SGP portfolios to varying degrees. If innovation is considered in a broad sense as a new manner of implementing environmental projects at the local level, or as a novel application of otherwise well-known technology, then innovation is common to all project portfolios in the region. Genuine participatory process in project management is itself an important innovation in most of the region.

Novel applications of common technology may range from the design and testing of movable fences/corrals to control cattle in the highlands of Bolivia, to the installation of motorcycle muffler filters/silencers in motorcycle-taxicabs in the Dominican Republic for the purpose of controlling emissions that affect climatic change and produce noise. A number of reforestation projects have received GEF/SGP funding because the NSCs consider them appropriately related to biodiversity and atmospheric warming objectives, as well as to local environmental priorities, despite the fact that they do not strictly meet the criterion of being innovative.

Sample NC views: Taking innovative approaches means taking risks, and yet these NGOs are expected to show tangible results at the end of their GEF/SGP-funded activities. This ambitious "order" is then translated into a more conventional form and emerge as "success stories" to be presented to the world. Suffice to say the innovative approaches, however small and local, are not yet in place here. // Innovation is considered in the selection process. Rural development proposals were rejected because they did not meet the criteria. // Forty percent of our projects include innovative approaches (in the

local context) to address environmental degradation related to the GEF areas. The GEF/SGP approach, addressing people's needs before proposing environmental actions as part of the solution to these needs, permitted the full participation of the communities. They overcame past distrust of environmental projects. This is very innovative. // Innovation is more in how the project is implemented. In the GEF/SGP, beneficiaries are considered as the major stakeholders and they decide how they want to carry out the project, thus increasing their sense of ownership. In this country, that is innovation. // Innovative ideas are given a higher priority in the selection process. // Innovation is in the eyes of the beholder.

Strengthened capacity of NGOs, community groups and technical resources to address environmental issues

Asia: Capacity building in the GEF/SGP encompasses a wide range of activities related to technology transfer and use, organizational management, financial accounting, networking, advocacy and accessing resources. The most basic form of capacity building is training in the preparation of project proposals. Some projects support core expenses for NGO/CBO staff and equipment. In Papua New Guinea, it meant linking an NGO to a group of CBOs to provide assistance on environmental issues. In Indonesia, capacity building has taken the form of exchange visits among grantees or training programmes. In other countries, workshops bring grantees together to discuss and share experiences, and these are viewed as part of capacity building.

It is important for the GEF/SGP to give more serious consideration to indicators for determining if capacity has been "built." What level and type of capacity building does the GEF/SGP want to achieve over what period of time? What is the strategy? Overall, capacity building is a slippery concept and is hard to measure. It is so universally claimed by funders that it has lost meaning. It is meaningful in the context of an overall strategy, which the GEF/SGP lacks.

Africa: Institution building is meaningful only in so far as it enhances the sustainability of a project. If it is just expanding the bureaucracy of an NGO, it is not a good use of GEF/SGP resources. In the Africa region, the NGOs and CBOs are generally weak and need help with the basics before they

can take on GEF focal areas and sophisticated, multi-disciplinary projects. NCs are calling for more resources to invest in this kind of capacity building. In the meantime, working through intermediary NGOs is appropriate and necessary.

Latin America: Overall, the GEF/SGPs are developing ways to improve the capacity of NGOs and CBOs to design and implement community-based projects. Commonly, workshops are offered to improve organizational skills, but a more effective approach might be the use of a specialized NGO that works directly with local groups on a whole range of OD issues.

The GEF/SGP has been able to strengthen local scientific institution's capacity to work with mostly rural but some urban communities on environmental issues. Scientists from a prestigious university in Santo Domingo, Dominican Republic, are studying the substitution of CFC compounds in refrigeration repair shops throughout the capital city, while in Yucatan, university veterinarians are participating in a deer-raising project meant to repopulate the peninsula's forested areas.

Sample NC views: At first we supported strong NGOs, but in the next phase, we will try to work with weaker groups. // Except in a general sense, we don't really have a consistent capacity building. Capacity to do what, for whom, and why. How do we know how long it will last? // Most projects have included capacity building for beneficiaries so they can continue project activities after the funding cycle is over. // We have many very talented people who want to help on a voluntary basis, but they have no transportation or there is some other problem. The GEF/SGP has tried to release that potential as part of our capacity-building plan. // This is an area that truly needs addressing here. Provisions must be made in the global programme for training in the GEF areas which can be accessed by local NGOs. // It is too early for anybody to claim that significant organizational strengthening has happened.

Project Portfolio Strategy

Foundation for replication of community-focused approaches to environmental problem solving related to GEF themes

Asia: There have been a few cases of GEF/SGP projects serving as demonstration and/or replica-

tion for other groups. The PNG experience in supporting community groups to provide their lands for biodiversity conservation is considered a good demonstration of community-based conservation. In Thailand, three projects are being replicated with government and private sector support. The key to demonstration potential is to link good project experience with people and organizations that need good ideas. This requires that projects be written up and a plan prepared for how to most effectively disseminate the information. Overall, this has not been effectively done, primarily because the GEF/SGP is so new. Its projects are too young to have proven themselves.

Africa: A great deal more is known now about the relationship between GEF focal areas and local environmental issues. Overall, the NSCs and NCs take it as their responsibility to establish project portfolios with strong demonstration value. In general, they have succeeded through strong selection processes. The difficulty is in analyzing the original project to determine why it is a success. This must be done before replication, and it can be a time-consuming and expensive process. In general, it is too early to talk about replicability, but only the potential for it based on very limited experience.

Latin America: Project portfolios were not guided by well-defined plans for project replication during the pilot phase. Little activity has occurred except through informal information sharing. This obvious weakness may be due to an unstated assumption that successful projects will readily transfer themselves, or that the market for good project experience is active and strong. In any case, it is too early to make a judgement on replication potential except in a few individual cases.

Sample NC views: This is an area that needs to be strengthened. // The GEF/SGP should improve its support for the sharing of successful approaches. // We have participated in a few workshops. // It is too early to tell, but several GEF/SGP grantees have included project components in which an exchange visit takes place between NGOs or communities to share experiences and to broaden horizons. This type of activity should become the norm within the GEF/SGP. // Grantees are encouraged to meet with one another. // Our system will include the use of local electronic mail nets, and we will publish a newsletter. // Emphasis must be placed on lessons learned, and this has

proven to be very difficult except at a meaningless level of generality (community participation is important). // The diffusion of the Lorena stoves project is an eminently replicable project, and has provoked interest all over the country. There are other good examples as well. What is lacking is an effective means of disseminating these results, and promoting the GEF/SGP's innovation and creativity. // This can't be done well unless we answer questions about who needs the information, and in what form.

Conformance with national environmental strategies and frameworks

Asia: National coordinators reported their programmes reference their country's national environmental strategies. However, the main task during the pilot phase was putting the programme in place, and this was where most of the energy went. Nevertheless, the GEF/SGPs are now identifying the programme's niche within a national framework. In Pakistan, the GEF/SGP is reviewing the Pakistan National Conservation Strategy to determine how and where the programme should fit, possibly defining the GEF/SGP niche at the district level.

Africa: Most GEF/SGPs in the region have not had the benefit of a national environmental strategy framework. At the time the programme was launched, the plans were just being drawn up, and priorities and mechanisms remained unclear. In addition, many national plans were actually drawn up as a result of donor pressure and do not accurately reflect national priorities, and certainly not any consensus.

Latin America: Countries with GEF/SGP programmes have started designing national sustainable development strategies, as agreed at the Earth Summit in 1992, but the efforts are incomplete, and GEF/SGPs in the region have not been able to take much advantage of them. Instead, the GEF/SGPs are working in reference to the various natural resources management plans of key actors — the government, environmental NGOs, and international organizations.

Sample NC views: We have attempted to have all our projects fit into the national environmental strategy framework, which is very general. // The project portfolio clearly supports the National

Environmental Action Plan. The GEF/SGP projects to combat bush fires as a cause of greenhouse gas emissions has been welcomed all over the country. // Our national environmental strategy is not yet completed. // Our portfolio fits in a general sense, but there is no specific connection.

Project sustainability strategy

Asia: The evaluator agrees with the view of most NCs, that the sustainability criterion is a rather "tall order" considering the nature of the programme and the limited support that the programme provides to project proponents. Nevertheless, in the appraisal process, proponents are asked their post-SGP plans to get a sense of how the grantee is attempting to address the issue. Several GEF/SGPs make NGOs aware of other funding sources to tap for continued project support. While this may address the sustainability question to some extent, it is unrealistic to expect grantees to achieve "sustainability," an objective as yet elusive to mainstream environment and development agencies.

Links between the GEF/SGP and other funding mechanisms have been at the level of "information sharing." However, in a few countries the GEF/SGPs successfully referred projects to other donors who subsequently supported them. In several other cases, donors have supported GEF/SGP grantees after funding had run out, such as in Indonesia, PNG, and the Philippines. Overall, project sustainability planning remains to be accomplished in the region.

Africa: Project sustainability is generally viewed as requiring several elements, of which funding is only one. The first element is promoting awareness among local communities regarding the long-term need for the project activities. Second is organizing and training so the systems and knowledge for sustainability are in place. Third is ensuring that there was sufficient participation and therefore "ownership" of the project process. Fourth is providing multi-year financial support so that follow-up and sustainability planning can actually take place. In general, project sustainability planning is at a hypothetical stage and guidelines from the global programme are needed.

Latin America: In the GEF/SGP guidelines for project submittal, NGOs and CBOs are encouraged

to consider ways to become sustainable, but the resulting plans are usually limited to "will seek additional funding." Overall, project sustainability planning has been limited to helping grantees to improve their organizational skills and acquire continued funding; a clear and well-defined sustainability strategy has yet to evolve.

Sample NC views: Project sustainability is a very difficult area that needs attention. // It is a "tall order." During the selection process, GEF/SGP staff continuously ask the prospective grantees to explain their future plan. To include realistic strategies in the programme, the GEF/SGP needs to recognize local conditions and capacities, and to distinguish them from other (larger) GEF programmes. // No realistic strategy for project sustainability has been developed. // The GEF/SGP does (should) not intend to give sustainability to a community through its programme.

Connection to the "big" GEF

Asia: Linking the GEF/SGP to the "big" GEF projects is generally considered an important objective within the GEF/SGP framework, though the idea is not without controversy. However, few concrete linkages have been established between GEF projects and the GEF/SGP in the countries visited. There is little indication of this happening in other countries either, beyond the statement of the importance of doing it. Part of the cause of "disassociation" is that GEF projects have gone through their own development processes without connection to the GEF/SGP and vice-versa. There are no mechanisms in place to enable links to be made and sustained. Another factor is time—NCs simply have not had enough of it to explore possible connections. In any case, a working association between the programmes is essential and should be a priority during the GEF/SGP's next phase.

Africa: With exceptions, a relationship with the "macro" GEF is almost non-existent, despite the presence of GEF representatives on some NSCs. Although all NCs have indicated the need for a clearer relationship between "the two GEFs," many of them raise questions regarding the form this relationship should take. They cite the GEF's operations, interests, and scope as grounds for fearing that the "small GEF" might be swallowed up, and thus lose its specific character. Neither the NCs nor the NSCs have had the time for strategic

thinking and linking. An exception is in Kenya, where the NC has played an important role in bringing the NGO community and the GEF together for joint planning. Overall, the GEF/SGP-GEF relationship remains to be established.

The GEF/SGP and the Africa 2000 project are cooperating in the countries in which both operate. They work with similar communities and exchange information and experience. The major difference between the programmes is GEF/SGP's emphasis on the four GEF focal areas. The two programmes are still working out their relative boundaries.

Latin America: In countries where the GEF/SGP and the government-implemented GEF work alongside one another, relations have been strained largely because government projects—even if funded by GEF—have yet to incorporate community participation methodologies in their project designs. Instead, a strong conservationist philosophy usually under-emphasizes community needs, a foundation point of the GEF/SGP. It is difficult for observers to understand that the two programmes have the same origin.

The confrontation between the GEF/SGP funded fishermen of Ria Lagartos in the Yucatan Peninsula and the guards of the adjoining Lagartos Reserve, funded by the GEF, over the use of lands traditionally accessible to the community, is an example of unintentionally working at cross purposes. The GEF/SGP NSC is asking Headquarters for support in an effort to get GEF authorities and representatives of the government to discuss ways for the two GEF entities to cooperate. A more positive instance is the GEF programme in the Dominican Republic. It is budgeting funds to engage communities using the GEF/SGP framework and participatory methodologies. The GEF supports GEF/SGP with funds for activities within, and sometimes outside of, their large projects.

Sample NC views: There is no connection, though I have tried to make appointments several times. // The GEF staff don't see our programme as relevant to their projects. They have their own ways of doing things. // We have had good communication, and a GEF representative sits on our national selection committee. // The GEF seems to want us to do the hard part, which is working with communities and persuading them to become involved in environmental management activities. Cooperation

should start long before we are called in to help with implementation. // The large and small GEFs appear to be very different organizations. // We can't wait for the GEF to come to us. We have to document our process and demonstrate that it is effective. We can then advocate to be advisors and resource people to the GEF. // There is a huge gap

between GEF and GEF/SGP funding. This should be reconsidered because grassroots activities are so important to achieving GEF objectives. // Somehow we all have to connect—rural and urban, small and large, top-down and bottom-up—so we have the partnerships necessary to achieve these complex and difficult goals.

4. Global Programme Analysis

Performance Overview

During the pilot phase, a total of 3,280 funding proposals were received and reviewed, and 448 (11.5 percent) were accepted. Of approved projects, 340 (76 percent) focused on biodiversity conservation, 85 (19 percent) on climate change, 20 (4.5 percent) on protection of international waters, and 3 (0.5 percent) on reducing ozone depletion. Project beneficiaries are typically low-income rural people whose livelihoods depend directly on the natural resource base. The main reasons for proposal rejection were: 1) that the proposed project was not within the GEF focal areas; 2) activity proposed was not or did not support a community-based initiative; 3) insufficient implementation capacity; 4) no innovative element in the local context; and 5) inadequate GEF/SGP funds available. Average grant size was US\$ 21,900, and the average project length was 1.8 years. The national coordinators spent approximately 50 percent of their time on administrative matters, 25 percent on technical support to grantees, 15 percent in the field, and 10 percent on representation tasks. Including evening and weekend time away from home, the national coordinator position requires 1.3 times a full-time position (defined as an eight-hour workday, five days per week). Worldwide, the national selection committees meet once every quarter for approximately five hours or 20 hours per year, but the average varies widely among countries. The national selection committee's chairperson spends considerably more time, estimated at 60 hours per year.

Approximately 358 (80 percent) of funded projects are reported successfully completed or on track to achieving their objectives, 37 (8 percent) are experiencing moderate, but recoverable, difficulty, 40 (9 percent) require redesign or reconsideration, and 13 (3 percent) are considered unlikely to achieve their intended objectives or didn't work out as expected. Average processing time, world-

wide, was 5.5 months. Sixty-eight percent of the portfolio's projects include a specific local capacity-building element, 76 percent are focused on livelihood issues, 74 percent involve significant community participation in at least one element of the project development/implementation process, 34 percent involve significant participation by women, and 14 have been written up as part of an information dissemination effort. Approximately 190 unapproved but good project proposals were referred to other funding agencies. Overall, approximately 45 percent of the project portfolio directly and clearly address GEF focal areas, 42 percent indirectly or are part of strengthening and preparing local organizations, 12 percent are applied research or technical assistance (TA) support activities, and 1 percent appear to be outside the GEF/SGP mandate. Considering the decentralized nature of the programme, this should be considered a notable success.

GEF/SGP Strengths

Relative to other small grants programmes observed, the GEF/SGP has fairly simple procedures that make it accessible to a wide range of NGOs, many of whom have not been eligible for grant funding. Based on grantee interviews, the personal attention and support of the national coordinator has been a significant factor in project success. The project selection process is considered participatory, transparent, and in some cases, innovative. Especially noted was the idea that a group, the national selection committee, rather than one or a few individuals make award decisions. Redefining its role, several NSCs have become forums for debates on national sustainable development strategies, strengthening the GEF/SGP in the process.

Overall, the GEF/SGP has adapted to national circumstances reasonably well and has employed a

learning process approach to programme development rather than an inflexible "blueprint." This applies to portfolio projects as well, resulting in more local ownership of project process and results. UNDP HQ has demonstrated flexibility in problem solving and has provided good guidance overall. GEF awareness activities are built into many if not most projects, resulting in better understanding of the relationship between global and local environmental issues.

GEF/SGP Weaknesses

GEF/SGP country budgets are too small to meet demand and to develop a more strategic approach to achieving GEF objectives. Compounding this problem, many national coordinators were given the idea that projects should be only one year in length even though such a restriction is not found in the guidelines. Other than referral, there is no effective plan to "graduate" projects to a higher level of follow-on activity.

Some confusion exists in the field and at UNDP Headquarters regarding GEF/SGP objectives, purposes, means and ends. This is caused in part by insufficient GEF/SGP staffing at HQ. The guidelines on women's participation in GEF/SGP-funded projects are weak, and little progress has been made in this area. Likewise, the absence of private sector people on national selection committees and in projects reduces the opportunity to influence and benefit from this important community. Project monitoring, technical review, evaluation, and sustainability planning are insufficient given the expectations of the GEF/SGP's sponsors. The lack of budget for vehicles has seriously constrained monitoring and project support in some countries. Communication and coordination among UN environmental programmes and the GEF/SGP is weak.

Confusion regarding national coordinator roles, responsibilities, and authority vis-a-vis the UNDP Country Offices remains and will weaken the programme through time, though good effort has been made in improving working relationships. The coordinators wonder if all fingers will point to them if something goes wrong as it inevitably will. Differences in compensation and conditions of employment are and will understandably cause problems. Except for "on the job," few training opportunities exist for national coordinators related to small grants portfolio management, representation, GEF focal areas, strategic planning,

and UNDP fund administration. National coordinators have insufficient discretionary funds and cannot take advantage of unexpected opportunities for networking and training, or needs for short-term TA and project development assistance.

GEF/SGP Opportunities

The greatest opportunity is to develop working links with "big" GEF projects. The GEF/SGP could: 1) play a role on the GEF's national project development committees; 2) provide technical assistance on community involvement issues; 3) convene national NGO/CBO meetings to inform GEF project strategies; 4) monitor participatory process in GEF projects; and 5) develop pilot projects that could provide the basis for larger-scale GEF project concept development and implementation designs.

There is considerable opportunity for the GEF/SGP to leverage additional funds for GEF work in local communities. Leveraging can be accomplished by: 1) funding the community participation/preparation component of larger projects; 2) offering matching funds; and 3) acting as the local counterpart, in association with local NGOs, for collaboration with international NGOs.

The GEF/SGP could become a point of coordination and harmonization for the variety of small grant funds that together could achieve greater impact in solving environmental problems. The function is very much needed in 23 of the 33 countries in which the GEF/SGP has been set up.

Threats to the GEF/SGP

Based on extensive "advertising" of the GEF/SGP during set-up, NGOs and CBOs have developed high expectations of receiving grant funds. When this expectation is not realized, or if more than a few attempts at proposal submission are required, NGO support for the programme may diminish.

Though increased GEF/SGP connection to the "big" GEF is recommended, there is concern among national coordinators that the GEF/SGP may become politicized and/or "swallowed up" in the GEF by doing so.

The GEF/SGP may develop excessive, disabling bureaucracy as additional performance and accountability demands are placed on it. Its

strength—simplicity (from the perspective of the grantee)—may be lost. The size of the GEF/SGP's processes may become larger than the size of the programme's time and talent resources. Demands for national coordinators to "ensure" participatory process, women's involvement, high grantee performance, demonstration value, lessons learned, and so on, mean that they initiate labor-intensive dialogue processes for which little follow-up is likely possible.

While the enthusiasm and commitment of the national coordinators and national selection committees for their work was evident during the evaluation, so was "burnout," characterized by a loss of interest in solving and resolving the problems that plague such a decentralized and diverse programme. Since the character of the individual GEF/SGP country operations are so much determined by the coordinator and selection committee, the programmes will reflect any fatigue on their parts, either as a result of reduced performance or departure.

As the GEF/SGP garners more resources, larger national NGOs will look to the GEF/SGP to replace the funds being lost through international reductions in environment and development assistance budgets.

Most GEF/SGP country operations have completed their first round of grant-making. Though many national coordinators would disagree, there has been a reasonable overall relationship between the level of effort required to do the job and the financial and support resources provided. When the second and third rounds of grant-making are completed, or if the programme expands without increases in staffing, this reasonable relationship between effort and task will be knocked out of balance. This was observed in cases where UNDP's LIFE programme and the GEF/SGP share the same national coordinator.

GEF/SGP Achievements

Given all that could have gone wrong launching the GEF/SGP, the pilot phase is a genuine success, though important weaknesses were identified—the very purpose of a pilot. Overall, the GEF/SGP pilot has achieved the following:

- Working small-grant making mechanisms are set up in 33 countries. Four are very new or are not fully functioning, but there is no reason to believe they will not do so. National coordina-

tors and national selection committees are, in general, cooperating effectively with UNDP Country Offices to manage the GEF/SGP.

- The national selection committee mechanism to review and select projects is generally recognized as innovative because of its participatory and transparent operating characteristics.
- In general, the GEF/SGPs are learning from their pilot experience and improving the quality of their operations through time. This is fairly unusual, and should be noted.
- Given the challenge of relating global environmental concerns to small, community-based natural resource management needs, an honest effort has been made to link grants to the GEF focal areas, even though the relationship may be indirect, and therefore not at first clear. Recognizing the highly decentralized nature of the programme and the very wide variety of institutional and environmental conditions in which it operates, this accomplishment is noteworthy.
- With exceptions, the GEF/SGP portfolio supports community-based initiatives that respond to, or support solving, local environmental problems as they address livelihood needs, lifestyle considerations, or information requirements.
- The quality of national coordinators and national selection committee members recruited is consistently high. Given the scarcity of qualified managers in most GEF/SGP countries, this accomplishment is noteworthy.
- Though difficult to achieve, community participation in project design and implementation has been a portfolio priority. We make this finding even though the number of projects directly funding CBOs is small. With exceptions, intermediary NGOs funded by the programme appear to be effectively working to strengthen the community groups with which they work.
- The GEF/SGP has increased the knowledge of GEF focal areas through its project selection process and through regular representation at national and local fora. On several occasions, the evaluators successfully discussed GEF themes with project participants.

- Given the variety of objectives, purposes, and activity criteria the GEF/SGP is obliged to meet, the GEF/SGP is a reasonably efficient and cost-effective method to provide funding for community-focused environmental and capacity-building projects.
- In general, an effective, prototype foundation is being laid for expanded support of community-based activities related to GEF focal areas. Given funding to scale-up projects, the contribution of the rural poor to biodiversity loss, global climate change, ozone depletion, and degradation of international waters will likely be reduced.

Primary Factors Influencing GEF/SGP Achievements

Achievements have many parents. In GEF/SGP's case, they are primarily related to selecting very good people for NCs and NSCs who have made a genuine effort to do whatever was necessary to get the GEF/SGP up and running. Primary factors drawn from the global analysis of the GEF/SGP include the following:

- The energy and ability of the national coordinators to solve programme development problems, to establish effective working relationships with necessary partners, and to apply GEF/SGP criteria is, with few exceptions, well developed. Without the type of NCs recruited, the pilot would have failed.
- The commitment, support, and problem-solving ability of the GEF/SGP Senior Advisor, Technical Coordinator and the responsible Programme Management Officer from UNOPS have been significant factors in the pilot's overall success. In particular, the efforts of the GEF/SGP Technical Coordinator to clarify or establish operating policy and guidelines were often mentioned.
- The GEF/SGP has been able to attract capable people to serve on its national selection committees, and they have taken their role seriously.
- The project selection mechanism adopted is sufficiently transparent and democratic to attract the attention of partners necessary for GEF/SGP implementation — NGOs, government, academics, and, occasionally, the private sector. The evaluation team found an unusual degree of local "ownership" of the process.
- UNDP HQ has provided sufficient independence and authority to the national coordinators to permit them to adapt the programme to local conditions.
- With exceptions, UNDP Country Offices have either supported, or at least not created unresolvable obstacles, to GEF/SGP implementation, even though the programme is a departure from normal operating procedure and staff shortages are a problem. Given the difference in institutional cultures between the organizations from which GEF/SGP NCs and NSCs are drawn, and the UNDP, this is a better than expected circumstance.
- With exceptions, host NGOs have proven to be an effective base from which to launch GEF/SGP activities. In particular, NGO hosts have provided access to national and local NGOs and CBOs. With exceptions, host UNDP Country Offices have proven to be an effective base from which to launch GEF/SGP activities. Host decisions have to be made taking the local situation into consideration.
- The GEF focal areas are broad enough to include the natural resource management concerns of local communities in GEF/SGP countries.
- GEF/SGP representatives and advocates have been able to gain the acceptance and support of the national NGO communities in the face of their active concerns regarding the GEF overall.
- Somehow, the GEF/SGPs have managed to remain relatively free from political pressures to provide grants to suggested individuals or organizations.

Main Issues to be Addressed

Some of the problems identified are associated with the GEF/SGP's youth and pioneering nature. Early on, national coordinators had to make up the process as they established their programmes. Other issues are being dealt with to some degree but need to be pointed out to inform future GEF/SGP development. The evaluation team found HQ staff aware of all but a few of these issues, and efforts are being made to address them.

- Few of the GEF/SGPs have articulated a strategy for their portfolio beyond making small grants.

Overall, project portfolio themes are fragmented as is the cumulative impact of the projects. While individual projects may be good, they appear to be isolated events. Few GEF/SGPs use diagnostic exercises to determine what the medium-term objectives of the project portfolio should be. On the other hand, excessive pre-planning, which often over-emphasizes a problem or geographic region, is not suggested. Finally, the almost exclusive emphasis on grant-funding consumes all the time available, nearly eliminating the opportunity to support non-project but important activities.

- Working relationships between a significant number of national coordinators and their UNDP Mission counterparts are strained because of misunderstanding or lack of clarity regarding roles, responsibilities, and decision-making authority. There is potential for a clash of organizational cultures. It is noted that, relative to GEF/SGP initial set-up, relations have improved.
- The GEF/SGP HQ Technical Coordinator's office is woefully understaffed. It has been able to fulfill its function through commitment, extra hours and managerial savvy, but this is unsustainable over the medium term. Ironically, increasing HQ staff will strengthen the GEF/SGP's ability to decentralize effectively. GEF/SGP expansion is impossible without additional staff resources.
- The systems supporting annual planning, budgeting, and funds disbursement are insufficiently developed or unreliable, causing significant downstream problems between GEF/SGP coordinators and grantees. In addition, clear steps to take in the event of grantee malfeasance are not established. Given the number of countries involved, this problem is expected. Even so, decisions regarding execution support should be made in advance of beginning a GEF/SGP operational phase.
- The very low ratio of projects funded to proposals received (approximately 11.5 percent) is creating frustration among potential grantees that may result in loss of interest and/or support.
- National coordinators have invested effort and time beyond that described in their TORs, and a significant number are or will experience "burnout" or fatigue. Overall, accountability for all aspects of the GEF/SGP is the NC's responsibility, especially when there are problems. The guidelines must include a means to fairly share responsibility, success, and failure.
- Wide variations in compensation and confusion about employment status vis-a-vis the UNDP are creating a sense of "second class status" among some national coordinators.
- The pressure to "produce measurable results" related to GEF focal areas over short periods is and will lead to poor project proposals and selection. In most GEF/SGP countries, NGO and CBO organizational strengthening is a critical need that cannot be ignored. Once again, a strategy to bridge these issues is required.
- Overall, insufficient progress has been made to include women on national selection committees, or in project design and implementation. The number of women serving as national coordinators is high relative to grants portfolio managers in bilateral programmes. The evaluation team appreciates the difficulties involved in resolving gender-based inequities.
- With exceptions, insufficient progress has been made on anticipating challenges related to project sustainability. In this, the GEF/SGP has a great deal of honorable company. Sustaining activities and practices beyond the project period remains a key weakness of most environment, development, and social change initiatives.
- Indicators to measure portfolio impacts are insufficiently developed and/or used, so estimates of contributions to GEF themes can't be made.
- With exceptions, there is little or no relationship between the GEF/SGP and the "big" GEF, and little information and experience regarding the issues of grassroots participation in GEF projects is being offered or requested. In addition, there is a weak relationship between the GEF/SGP and other UN-sponsored programmes relevant to the programme's objectives and purposes.

5. Conclusions

Given all that could go wrong, the GEF/SGP pilot phase is sufficiently successful to warrant transition to an operational mode if the programme is strengthened with additional staff, and key administrative questions are resolved. The overall potential of the GEF/SGP to complement and inform the GEF strategy is very good. Frankly, the evaluation team departed New York expecting to find many more serious field implementation problems than it did, given the variety of objectives, purposes, and activity criteria involved. Our favorable conclusion is based on the limited objectives of a pilot phase, and not on an evaluation of impact on GEF focal areas which is impossible given the short time the projects have been underway and the nature of GEF themes.

- The GEF/SGP's impact on GEF focal areas cannot be measured at this time, but the GEF/SGP's role as a foundation for more extensive GEF related community-based activity can be evaluated, and its potential is good. The evaluation team observed projects that could, if scaled up, have a positive impact on GEF focal areas (e.g., nationwide use of fuel-efficient stoves in Bolivia).
- The GEF/SGP is not sufficiently connected to the GEF, and the GEF's opportunity to benefit from the programme is not being sufficiently developed. The GEF/SGP has to overcome the "poor relation" perception that now exists.
- Too many parties have too many and diverse expectations of the GEF/SGP, and these should

be reduced and focused. If it can remain procedurally simple, maintain its participatory, broad-based activity selection process, and develop a more strategic approach to the use of its resources, the GEF/SGP will become a credible model for engendering genuine community-based participation in efforts to link and address local environmental problems having global dimensions.

- While HQ and UNDP Country Office support to GEF/SGP field operations has improved during the pilot phase, problems related to funds management and transfers remain. Clearer delineation of roles, responsibilities, authority, and accountability among the GEF/SGP country operations, UNDP Country Offices, and Headquarters support and executing agencies is required.
- Professional development opportunities for national coordinators need to be offered to maintain performance and enthusiasm. Systems to recognize their contributions and efforts need to be put in place, and questions about their employment relationship to the UN system and compensation issues must be resolved.
- The GEF/SGP's ability to adapt its modes of operation to widely different institutional, environmental, and socio-economic contexts is its major strength. This ability is the result of recruiting competent NCs, NSC members and HQ support staff. The GEF/SGP is a complex endeavor and requires very capable personnel.

6. Recommendations

Our overall recommendation is to prepare the GEF/SGP for its transition from pilot phase to operational status.

- Modify the programme based on this evaluation report, the individual evaluations prepared by the national coordinators, on-going assessment of the pilot phase and future needs, and on advice received at the upcoming global meeting of national coordinators.
- Consider expanding the GEF/SGP to approximately 60 countries during the next three years to create a worldwide network of activity sufficient in size and scope to unambiguously support GEF focal areas.
- Do not begin the operational phase until the issues, weaknesses, and threats in this report are addressed.

Other recommendations are as follows:

- Consider increasing the GEF/SGP activity budget so it can both fund projects and undertake strategic activities in support of GEF themes. The recommended level is US\$500,000 per programme per year for existing operations, and \$300,000 for new GEF/SGPs in their set-up phase. In addition, each GEF/SGP should have the opportunity to fund one medium-sized project per three-year cycle. These projects will provide a "graduation" avenue for successful, high potential small-scale projects, or could be part of a regional project, or link with a larger GEF activity. GEF/SGPs would have to qualify for this allocation, and special design criteria would apply. \$300,000 per country is recommended.
- Consider shifting the GEF/SGP to national execution to further decentralize its operations, more fully involve UNDP Country Offices, and reduce long-distance communication problems related to administration, accounts, and transfer of funds. A full review of options should be undertaken identify cost-saving opportunities and administrative improvements.
- Establish a mechanism to orient UNDP Country Office staff to the GEF/SGP and to their expected and necessary support role.
- Maintain the GEF/SGP's Headquarters coordination function, and expand its operations to include at least four regional staff and support personnel, an expensive but ultimately cost-efficient necessity. Few of the recommendations made in this report can be accomplished without increased HQ staff resources.
- Establish a professional development programme for GEF/SGP national coordinators and, in some instances, members of the national selection committees. Increase the number of regional NC meetings to take full advantage of experience and problem-solving techniques.
- Create the means whereby the GEF large and Small Grants Programmes are effectively linked and are mutually supportive. Each programme very much needs the other. Establish means to better coordinate the activities of UNDP's environmentally related small grants programmes to increase their complementarity and impact.

7. Closing

Everyone associated with the GEF/SGP should feel positive about the programme. You have chosen a difficult set of tasks, and there are few who will thank you for all the effort made. The GEF/SGP is being asked to be the best at everything all at once—the best projects, the most genuine community participation, the highest level of women and indigenous people's involvement, the highest potential for sustainability, and the most replicable and influential activities. You are supposed to write it all up in ways that "reach" diverse publics, including policy-makers and GEF mainstream project managers, and the NGO community at large. In the meantime, you are to ensure that everybody's financial records are in good shape, and that appropriate technical assistance is provided to projects. NGOs and CBOs are to be strengthened, and new coalitions are to be created and supported. All of this must be accomplished within the context of the GEF, which remains an activity "in progress," and UNDP, an

agency not renowned for flexibility. This is all a tall order for a basically two-year old pilot project.

The evaluation team took a hard look at the GEF/SGP, and we want to say "thank you" for the work you have done to demonstrate that big, complex programmes and agencies can relate to and support very small and local efforts to balance livelihood needs with good maintenance of the natural resource base. The sum total of all these small efforts—not a few big projects—will determine the future of our ecosystems.

Almost everyone we met is making an honest effort to "make the GEF/SGP work." Most notably, you are actively looking for solutions to the programmes problems rather than spending your time complaining. Finally, we found that you welcome divergent views and constructive criticism. Just as in the environment, diversity is strength, and your diversity is your greatest strength as well.



United Nations Development Programme (UNDP)
Global Environment Facility (GEF)
One United Nations Plaza
New York, NY 10017
(212) 906-6076/6112