

Workstream IV: Monitoring and Evaluation

Second TC meeting for the Design of the Green Climate Fund

Tokyo, Japan, 14 – 15 July 2011



Terms of Reference

- ❑ **Based on Decision 1/CP.16 a TOR was drawn to design:**
 - A mechanism to ensure periodic independent evaluation of the performance of the Green Climate Fund (GCF);
 - Mechanisms to ensure financial accountability and to evaluate the performance of activities supported by the GCF in order to ensure:
 - the application of environmental and social safeguards,
 - internationally accepted fiduciary standards, and
 - sound financial management of the Fund's activities



Tasks Accomplished

- ❑ Views and submissions from TC members and Observer Organizations, based on the TOR, were synthesized into a scoping document.
- ❑ At the request of TC members, 2 background notes were developed on:
 - different options for independent evaluation mechanisms;
 - applied minimum fiduciary standards in selected funds.
- ❑ These documents were circulated to TC members and observer organizations to form the basis for discussion in taking forward the work of Workstream IV.



Preliminary suggestions for initial discussion at TC2

- ❑ **Independent evaluation of the overall performance of the GCF – including evaluation of performance of the Fund, its Board, the Secretariat, the Trustee and implementing entities:**
 - to be carried out by an independent evaluation institution – based on international competitive bidding;
 - shall be based on the overall objectives of the GCF (WS I)
 - shall include a stakeholder perspective
 - shall be aligned with the overall objective of the UNFCCC



Preliminary suggestions for initial discussion at TC2

- ❑ **Establishing an M & E system for the projects /program activities supported by the GCF**
 - Purpose is to create a solid follow-up mechanism at various levels, facilitate well-informed decision-making by the Board by addressing issues such as efficiency, effectiveness, impacts and sustainability, and shall be results-focused;
 - an independent evaluation unit shall be established in the GCF. It shall report to and be accountable to the Board;
 - the unit shall produce yearly work programs for its activities to be decided upon by the Board;
 - the unit shall be guided by the objectives established at different levels of the GCF



Preliminary suggestions for initial discussion at TC2

- the unit shall encourage stakeholder participation, in particular at the country level;
- the unit shall also encourage and facilitate country-level evaluation efforts, and as appropriate, align with these efforts
- special consideration should be given to the LDCs and the SIDS
- general criteria that will guide the work of the unit shall be developed including the promotion of gender equality
- in the light of the outcome of the discussions on access modalities (WSIII), the monitoring and evaluation unit could also have a role in the periodic follow-up of accredited implementing entities.



Preliminary suggestions for initial discussion at TC2

Fiduciary standards and financial accountability.

- Consistent with the outcome of discussions in **WSII** and **WSIII**, mechanisms shall be developed to monitor and ensure financial accountability of the GCF, including monitoring the compliance with agreed fiduciary standards, and environmental and social safeguards
- Experience from other organizations should be used.

The application of environmental and social safeguards.

- Guidelines for these standards should align with internationally agreed conventions and best practices;
- Special consideration should be given to the SIDS and LDCs, including possible support for capacity building.



Results Framework

- ❑ In line with the outcome of discussions on overall objectives and operational modalities (WSI and WSIII), a results-based management model shall be developed.
- ❑ This will be informed by experience from other multilateral funds and organizations. It will be guided by key performance indicators.



Next Steps

- Develop principles for an independent evaluation of the overall performance of the Fund (including, Board, Secretariat and Trustee);
 - Develop principles for Monitoring and Evaluation system for projects/programs supported by the Fund;
 - Develop principles regarding application of fiduciary standards and financial accountability as well as for environmental and social safeguards in relation to the Evaluation Unit;
 - Develop Key Performance Indicators and key elements of a framework that can support a results-based management model;
 - Define division of responsibility between the TC and the Board on the above issues.
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