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Capacity-building under the Convention

Capacity-building under the Kyoto Protocol

**Report on progress of the Global Environment Facility in developing
capacity-building performance indicators**

Note by the secretariat*

Summary

This document reports on progress made by the Global Environment Facility (GEF) in developing capacity-building performance indicators, and on plans by the GEF to evaluate its capacity development activities. The Subsidiary Body for Implementation may wish to take into account the progress made by the GEF in this area when considering steps to regularly monitor the capacity-building framework.

* This document has been submitted late for translation in order to include information on the latest progress in this work.

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I. Introduction

A. Mandate

1. The Conference of the Parties (COP), by its decision 4/CP.9, decided that the Global Environment Facility (GEF) should, on matters relating to capacity-building, take into account, in its work relating to the development of capacity-building performance indicators for the climate change focal area, the capacity-building framework annexed to decision 2/CP.7, and undertake this work in consultation with the Convention secretariat. The Subsidiary Body for Implementation (SBI), at its twenty-third session,¹ requested the secretariat to report on the progress of the GEF in developing capacity-building performance indicators, consistent with decision 4/CP.9.

B. Scope of the note

2. This document reports on progress made by the GEF in developing capacity-building performance indicators, and on plans by the GEF to evaluate its capacity development activities.

C. Possible action by the Subsidiary Body for Implementation

3. The SBI may wish to take this report into account when considering steps to regularly monitor the capacity-building framework.

II. Activities by the Global Environment Facility on monitoring capacity-building

A. Development of indicators of capacity development

4. The GEF is developing indicators for measuring impacts of capacity development components in collaboration with its Evaluation Office, implementing agencies and the UNFCCC secretariat. The indicators are based on the following strategic areas of support:

- (a) Capacity to conceptualize and formulate policies, legislation, strategies and programmes
- (b) Capacity to implement policies, legislation, strategies and programmes
- (c) Capacity to engage and build consensus among all stakeholders
- (d) Capacity to mobilize information and knowledge
- (e) Capacity to monitor, evaluate, report and learn.

5. The United Nations Development Programme (UNDP) and the GEF² define capacity development as “the process by which individuals, entities (groups, organizations or institutions) and systems (countries or societies) increase their individual and collective abilities, (a) to perform core functions, resolve problems and define and achieve objectives, and (b) to understand and deal with their development needs within a broad context and in a sustainable manner”. Both organizations recognize that capacity development is a process of change that aims to induce various actors to adopt new responsibilities, skills, behaviours, values and policies.

¹ FCCC/SBI/2005/23, paragraph 86 (c).

² UNDP/GEF, Capacity Development Indicators, UNDP/GEF Resource Kit No. 4, November 2003, available at <http://www.undp.org/gef/undp-gef_monitoring_evaluation/sub_undp-gef_monitoring_evaluation_documents/CapDevIndicator%20Resource%20Kit_Nov03_Final.doc>.

6. The UNDP and the GEF identify three levels of capacity development:
 - (a) Individual – changing attitudes and behaviour through training, learning by doing, participation, ownership, motivation, morale, accountability and responsibility;
 - (b) Organizational or institutional – overall performance and functional capabilities, e.g. mandates, tools, guidelines, information management systems;
 - (c) Systemic – overall policy, economic, regulatory and accountability frameworks within which institutions and individuals operate.

B. Indicative set of performance indicators prepared by the climate change secretariat

7. The secretariat developed performance indicators for capacity-building,³ based on the UNDP/GEF's five strategic areas of support listed in paragraph 4 above, and linked them to the needs presented in the capacity-building framework annexed to decision 2/CP.7.

III. Global Environment Facility evaluation of capacity development

8. The GEF Evaluation Office has explored a range of approaches towards assessing the achievements of GEF capacity development activities. The GEF has revised its initial approach, which was based on the concept of evaluating the capacity development activities of projects as discrete interventions, to an analysis of countries viewed within their regional context. This perspective addresses the fact that coherence, consistency and complementarities are important dimensions of GEF support to capacity development. In many cases, targeted environmental issues are addressed at a regional or subregional level, for example by regional projects. Furthermore, there is a need to assess the extent to which capacity has been raised in a coherent and connected manner across focal areas in the same geographical context.
9. Using this revised approach, the Evaluation Office intends to study the results of all GEF capacity development support, from its enabling activities and small grants programme, through to the national results of regional projects, in two (or more) neighbouring countries that share one or more common environmental challenge of global importance. The study will examine in each country the nature and results of the national and regional interventions and relate these to policy, institutional and individually focused capacity development targets.
10. The focus of the evaluation will be twofold: first, a subregional case study of capacity-building/development activities across the GEF project and programme modalities to assess global environmental results, relevance, effectiveness, sustainability and efficiency; second, by reflecting on the key results and how they were achieved, the evaluation will develop a set of protocols, which will enable forthcoming Annual Performance Reviews, Country Programme Evaluations and the Fourth Overall Performance Study to evaluate the achievements of capacity development activities on a broader scale.
11. The key issues addressed in the evaluation will include:
 - (a) Country ownership and involvement of national institutions/stakeholders in identification of capacity gaps to be alleviated through GEF projects, including at the regional level;

³ FCCC/SBI/2004/9, annex III.

- (b) Relevance of GEF projects to country policies and needs, including the integration of GEF projects into national policies and plans and the development of regional capacity to address environmental issues that cross national boundaries;
- (c) The results achieved in developing required environmental management capacities;
- (d) The effectiveness, efficiency and sustainability of GEF-supported efforts for capacity development.

12. The evaluation will be conducted in two countries of a selected region, based on experience of a broad range of GEF-supported capacity development activities, from regional to small grants programme projects. A desk review of various reports, combined with field work in the two countries, will provide data inputs for the evaluation.

13. The evaluation methodology will include qualitative and quantitative approaches, including literature reviews, reviews of project and programme documents, semi-structured interviews with representatives of the GEF Secretariat, implementing agencies/executing agencies and in-country stakeholders and beneficiaries, subregional field studies, and other approaches, such as questionnaire surveys as needed.

14. The evaluation will take into account methodological difficulties, such as the dynamic nature of capacity development, multiplicity of contextual factors that affect capacity development and performance, and the paucity of baseline information and project monitoring of capacity development. The evaluation will produce a report on the context of GEF capacity development interventions, two country background studies and a synthesis report.

15. The evaluation is due to be launched in October 2006, and an evaluation report is to be submitted to the GEF council in November 2007.⁴ The evaluation process will contribute to further development of capacity-building performance indicators by the GEF.

⁴ For details see the GEF Evaluation Office's Capacity Development Evaluation Options Paper, Evaluation of GEF capacity development activities, Revision 4, 28 August 2006.