

# Report

## Mid-Term Review of the AF-EU-UNDP Innovation Small Grant Aggregator Platform (ISGAP), PIMS 6266



**Review period: March – June 2023**

**Report June 2023**

**Trond Norheim, Mid-term Reviewer**



## Acknowledgements

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The review consultant hopes that the findings, conclusions and recommendations will contribute to the successful continuation and strengthening of the programme, and to lessons learned that would improve similar UN and EU programmes.

## Report

### Mid-term review of the of the AF-EU-UNDP Innovation Small Grant Aggregator Platform (ISGAP), PIMS 6266

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- 9.Signed Mid-term review Report (Evaluator)
- 10.Signed UNDP MTR Report Clearance form

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Audit trail from received comments on draft MTR report

This report has been prepared by the independent consultant Evaluator Trond Norheim, PhD, contracted by the UNDP. The findings and conclusions expressed herein do not necessarily reflect the views of UNDP Member States or the UNDP Senior Management.

## ACRONYMS AND ABBREVIATIONS

AEPIIM	Association for Studies and Projects with Indigenous Peoples and Minorities
AF	The Adaptation Fund
AFCIA	Adaptation Fund Climate Innovation Accelerator
ASAP	Asia & Pacific
ATLAS	UNDP's Resource Planning system for Project Management and Control
AVPA	African Venture Philanthropy Alliance
AVPN	Asian Venture Philanthropy Network
BI	Business and Industries
BMO	Business Member Associations
BPPS	Bureau for Policy and Programme Support
BRH	Bangkok Regional Hub (of UNDP)
CBO	Community-based Organisation
COP	Conference of the Parties
COVID-19	Corona Virus Disease of 2019
CPD	Country Programme Document
CSO	Civil Society Organization
ST	Scientific & Technological Community
CTCN	Climate Technology Centre & Network
DAC	Development Assistance Committee (of OECD)
DIM	Direct Implementation Modality
EA	Executing Agency
EC	European Commission
EIT	European Institute of Innovation and Technology
ESMG	Environmental and Social Management Guidelines
EU	European Union
EUR	Euro
FPIC	Free, Prior and Informed Consent
FSH	Finance Sector Hub
GCF	Green Climate Fund
GEF	Global Environment Facility
GO	Governmental Organisations
GPD	Global Programme Document
GRM	Grievances Report Mechanism
GRP	Global Resilience Partnership
IAS	Invasive Alien Species
ICCCAD	International Centre for Climate Change and Development
IFAD	International Fund for Agricultural Development
IG	Inter-Governmental Organisations
IPCC	Intergovernmental Panel on Climate Change
ISGAP	Innovation Small Grant Aggregator Platform
KIC	Knowledge and Innovation Community
LDC	Least Developed Countries
LDCF	Least Developed Countries Fund
LPACC	Local Project Appraisal Committee
LVGA	Low-Value Grant Agreement
M&E	Monitoring and Evaluation
MTR	Mid Term Review
NCE	Nature, Climate and Energy Team
NGO	Non-Governmental Organization
NIE	National Implementing Entity
OAI	Office of Audit and Investigations
OECD	Organization for Economic Cooperation and Development
PIMS	Project Information Management System
PIR	Project Implementation Report
PM	Programme Manager
PMU	Project Management Unit
PPR	Project Performance Report
PRODOC	Project Document
RPD	Regional Programme Document

SAFE	South Asian Forum for Environment
SCCF	Special Climate Change Fund
SDG	Sustainable Development Goal
SGP	Small Grants Programme
SIDS	Small Island Development States
SMART	Specific, Measurable, Achievable, Relevant/Results-oriented and Time-bound
UNCDF	United Nations Capital Development Fund
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Conference on Climate Change
UNOPS	United Nations Office for Project Services
USA	United States of America
USAID	United States Agency for International Development
USD	United States Dollar

## 1. EXECUTIVE SUMMARY

### 1.2 Project Information

Table 1. Project Information Table (original AF financing)<sup>1</sup>

<b>Project title: Adaptation Fund-UNDP Innovation Small Grant Aggregator Platform (ISGAP)</b>		
<b>Country(ies):</b> Global	<b>Implementing Partner (AF Executing Entity):</b> UNDP	<b>Execution Modality:</b> DIM
<b>Contributing Outcome (UNDAF/CPD, RPD, GPD):</b> <i>GPD</i> Outcome 1 ADVANCE POVERTY ERADICATION IN ALL ITS FORMS AND DIMENSIONS Output 1.4.1 Solutions scaled up for sustainable management of natural resources, including sustainable commodities and green and inclusive value chains Outcome 3 STRENGTHEN RESILIENCE TO SHOCKS AND CRISES Output 3.4.1 Innovative nature-based and gender-responsive solutions developed, financed and applied for sustainable recovery		
<b>UNDP Social and Environmental Screening Category:</b> Moderate	<b>UNDP Gender Marker:</b> 2	
<b>Atlas Award ID:</b> 00125744	<b>Atlas Project/Output ID:</b> 00120017	
<b>UNDP PIMS ID number:</b> 6266		
<b>LPAC meeting date:</b> LPAC meeting Aug 17, 2020		
<b>Planned start date:</b> 1 June 2020	<b>Planned end date:</b> 31 May 2024	
<b>Expected date of Mid-Term Review:</b> <i>N/A</i>	<b>Expected date of Terminal evaluation:</b> April 2024	
<p><b>Brief project description:</b> The AF-UNDP Innovation Small Grant Aggregator Platform (ISGAP) aims to support the development and diffusion of innovative adaptation practices, tools, and technologies with two expected results:</p> <ul style="list-style-type: none"> <li>•New innovations promoted and accelerated: Development of innovative adaptation practices, tools and technologies encouraged and accelerated and</li> <li>•Evidence base generated: Evidence of effective and efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to enable scaling up.</li> </ul> <p>The expected overarching development outcome is innovation for effective, long-term adaptation to climate change accelerated promoted and enabled with particular emphasis on vulnerable groups and gender equity. ISGAP is designed to meet these objective, results, and outcome through an effective and efficient backbone management architecture and network of global best practitioners to (i) competitively source and screen innovative adaptation project ideas; (ii) grant funding and administering to bring selected project ideas to fruition; (iii) provision of customized technical and business development capacity building, incubation, and acceleration support; and (iv) knowledge management and sharing and result-based monitoring and evaluation.</p> <p>In parallel, AF is providing direct access to similar innovation small grants through National Implementing Entities (NIEs). Therefore, ISGAP's knowledge management and information sharing design will include joint activities and participation from NIEs that have received the Innovation Small Grants so as to ensure a degree of consistency and parity between NIE and non-NIE recipients of the small grants.</p>		
<b>(1) FINANCING PLAN</b>		
<b>Adaptation Fund</b>	<b>USD \$5,000,000</b>	
<b>(1) Total Budget administered by UNDP</b>	<b>USD \$5,000,000</b>	
<b>(2) CONFIRMED CO-FINANCING</b>		
<b>(3) Total confirmed co-financing</b>	<b>USD 0</b>	
<b>(4) Grand-Total Project Financing (1)+(2)</b>	<b>USD \$5,000,000</b>	

<sup>1</sup> ISGAP is mainly focusing on the AF results framework, because it was the original. The EU contribution of EUR 10 million is considered a contribution to it, and therefore adopted the original project document. Report to the EU is against the total budget amount of AF + EU.

### 1.3 Project description

1. The programme 'Innovation Small Grant Aggregator Platform' (ISGAP) <https://www.adaptation-undp.org/smallgrantaggregator> has been implemented from June 1<sup>st</sup> 2020 with UNDP as the Implementing Agency under a Direct Implementation Modality (DIM). The financing is US\$ 5 million from the Adaptation Fund (AF) including management fee, and EUR 10 million (currently US\$ 10.8 million) from the European Union (EU).
2. UNDP grant funding through ISGAP is provided on a competitive basis. It is open for Non-profit organisations, Civil Society Organisations (CSOs), Non-Governmental Organisations (NGOs), Business Member Associations (BMOs), as well as other associations, cooperatives and Community-based Organisations (CBOs) registered in developing countries.

### 1.4 Evaluation rating and achievements

Table 2. Evaluation Ratings Table

Measure	MTR Rating*	Achievement Description
<b>Project Strategy</b>	N/A	
<b>Progress Towards Results</b>	Objective Achievement Rating: 5	The programme has supported development of innovative adaptation practices, tools, and technologies, but no project is finalised so far and PMU's Communications and Knowledge Management Specialist was only recently contracted, so there is little diffusion of successful innovations.
	Outcome 1 Achievement Rating: 5	Outcome 1 should accelerate innovative adaptation practices, tools and technologies. The number of such projects has been far above the programme end target, but has not achieved that at least 50% of these should be women led organisations or organisations that largely benefit women customers.
	Outcome 2 Achievement Rating: 6	The programme is already above 50% of both the end targets that: (i) all grantees complete grant disbursement against performance target within 24 months after grant agreement is signed; and (ii) at least half of the grantees received additional support/funding to scale up and/or replicate.
	Outcome 3 Achievement Rating: 3	This outcome should cover that lessons learned are codified, documented, and disseminated/shared, leading to adoption or replication of project ideas by others. It has very low progress, which is partly due to only recent recruitment of the PMU staff member in charge (see Objectie Achievement above).
<b>Project Implementation &amp; Adaptive Management</b>	Rating: 5	Despite a late implementation start due to COVID-19 and slow recruitment process, the PMU with support from UNDP oversight staff has been able to use adaptive management to achieve most of the targets expected at mid-term
<b>Sustainability</b>	Rating: 3	It is a bit to early to define expected sustainability when the first projects funded are under implementation, but so far it looks positive. The programme should focus on sustainability both on programme level and project level to be able to scale up the innovations, including through a second phase.

\*The criteria for Progress towards results and Project implementation & adaptive management are rated from 6 (Highly Satisfactory) down to 1 (Highly Unsatisfactory), while Sustainability is rated from 4 (Likely) down to 1 (Unlikely).



## 1.5 Summary of findings, conclusions and lessons learned

### 1.4.1 Finding

3. The main finding of the Mid-term Review is that the programme despite a long initiation process and the challenge of COVID-19 was able to comply with nearly 50% of the expected end results, which is a good level of compliance at mid-term.

### 1.4.2 Conclusions

4. The programme is implemented by UNDP under the Direct Implementation Modality (DIM). There is no official implementing partner, but strong partnership with the funding agencies AF and EU, as well as with other partners that participate in the execution through separate agreements. The programme management structure is highly decentralized, with the staff members established in Bangkok and Istanbul, and long-term consultants operating from multiple countries.
5. The programme design is strong in the sense that it covers only one topic which is implemented through three clearly defined components, and is very specific in what it wants to achieve. On the other hand, considering UNDP's extensive experience with the GEF small-grants programme and projects financed by the Adaptation Fund, it should have been expected to have a stronger methodology and tools established already before approval to reduce initial delays.
6. The programme was approved with a budget of USD 5 million from the AF and EUR 10 million from the EU, with an approved combined budget of USD 16,921,935. The EUR has later reduced its value in USD, which gives a total available budget of USD 14.9 million after fee to UNDP (see 4.2.3). The cumulative disbursements as of Dec. 31, 2022 were USD 2,333,575, and the delivery rate at the same moment was only 13.8%.
7. Adaptive programme management was necessary right from the beginning, because it coincided with the first year of COVID-19, which slowed down the start-up process and limited international travel. This accelerated the use of international network building through the Internet and online meetings with programme partners.
8. There have been two ISGAP calls for NGOs and CSOs, and the first one of 22 organisation is under implementation. The interviews with grantees confirmed that they are very satisfied with the programme, including support from PMU, project consultants and partners.
9. The programme has so far reached a compliance with the expected outcomes of 48.5%, which is satisfactory at mid-term. There has however been variable effectiveness between the three components.
10. The end target of Outcome 1 that *at least five projects should have innovative adaptation practices, tools and technologies* was passed already with the first cohort of 22 projects, which could be an indication that the target was put too low. Another end target that *all* the funded projects should have evidence of effective and efficient adaptation seems to be too high, but cannot be confirmed yet. The targets to achieve at least 50% of the support to women led organisations, or organisations that largely benefit women customers is far from being reached.
11. Outcome 2 should enhance the grantees' innovation and business development capacity, where 19 of the 22 grantees completed grant disbursement against performance target within two years. So far grantees are given funding and advisory, and it is expected that the grantees with most potential for scaling up their project activities will receive additional funding for this.
12. Outcome 3 on documentation and dissemination is the weakest component so far, partly because the PMU's Communications and Knowledge Management (KM) Specialist was only recently contracted.

13. Despite the delays of ISGAP from the start, once the programme was initiated it has been implemented quite efficiently. If the programme's structure and approach is cost-effective it is not possible to confirm while the first individual projects are only half-way. It is also an open question if it would be cost-efficient with a much higher number of grantees, because the capacity of the PMU might be over-saturated.
14. Regarding financial efficiency, an argument for establishing the ISGAP model was that most barriers are upstream, with only a small proportion of development finance and public resources reach local level.
15. For ISGAP approx. 50% of the total funds reach the local NGOs/CSOs directly. Additionally, the PMU provides them technical and administrative assistance. Two technical consultants also provide support to the grantees. The PMU has improved the M&E reporting format to improve efficiency and obtain better quality of information, which could better document the effectiveness and efficiency of the innovative solutions.
16. A special feature of ISGAP is that the direct funding from global level to local NGOs and CSOs is often carried out without the knowledge of the UNDP country offices, since the local UNDP staff is not involved. This does not seem cost-efficient because it is both a lost opportunity for local support and a risk.
17. It is too early to expect financial sustainability, but it is positive that the programme is planning to give additional funds to grantees considered to have the greatest potential to consolidate and scale up the innovation. Co-funding from public and private sources should be part of this development. The Government's impact on the sustainability is also through its influence on the framework conditions of the grantees.
18. The ISGAP programme has Gender Marker 2, but gender mainstreaming has so far been a weakness. Gender is however a factor in the screening and selection process, and the grantees are required to provide a gender baseline and planned action to enhance empowerment of women.
19. Cross-cutting issues: The programme can be considered to have a rights-based approach, even though it is not the main focus. Poverty alleviation: The programme would potentially improve economic development and provided new sources of employment to poor remote communities, and could therefore reducing poverty. Improved resilience through disaster risk management: many of the investments in adaptation projects would have a positive effect on reducing the vulnerability to disasters, especially extreme climate events.

#### **1.4.3 Lessons learned**

20. The following lessons are focusing on general lessons from the overall programme:
- An innovation programme with new structure for global implementation should not be expected to finalize and comply with all its objectives after only one project phase. The establishment of the programme architecture does not justify implementation during a short period.
  - It is not efficient to have the PMU staff and long-term consultants distributed in many different countries. This goes against the goals of team building and efficient teamwork, since online connection does not completely replace the advantages of working together in the same place.
  - To avoid strong delays in initiation of project activities, it is important that as much as possible of the project planning is finalized during the design phase, including a detailed results framework with reliable baselines, operative regulations, and a work plan with deadlines for each step.

- An early PMU recruitment process is key for an efficient project management, and could therefore start before first disbursement, with detailed TOR and announcement. In cases where UNDP is not able to recruit the key project staff in time, alternatives could be sought such as recruiting the PMU staff members as consultants.
- Project co-financing is a key factor for impact and sustainability even when it is not considered in the project budget. Such financing could result in success of the local project innovations and their replication or scaling-up, with strong collaboration with the private sector.

#### 1.4.4 Recommendations

Table 3. Summary of recommendations

No.	Topic	Recommendation
<i>It is recommended that UNDP<sup>1</sup> should:</i>		
1	Risk management	Focus on the highest risks, which are (i) Project implementation delay; and (ii) Environmental, social and governance risk not managed, triggering risk events.
2	Project staff	Include a high level technical coordinator/advisor in the PMU, who could both give online support to partners and grantees, and visit some of the grantees when it is justified. The support should focus on the grantees with weakest management capacity, especially in LDCs and SIDS. Since this is quite urgent, the person should be contracted as a consultant.
3	Support to weakest countries	Continue to work with programme partners that are especially focused on the regions and countries with weakest management capacity, such as "Pacific Climate Ready".
4	Institutional	Inform as soon as possible all UNDP offices in the countries where the programme is financing local grantees. From that moment initiate the use of funds already allocated for local support, by paying cost-recovery to the country offices for local support. It should also be explored if a part of the fee that is going to UNDP could finance cost items in the country offices.
5	Social sustainability	The programme should focus more on projects to recover ancestral and indigenous technology and methods, where is an area where rural NGOs/CSOs could have an advantage in front of larger institutions.
6	Gender	The programme should also focus more on adaptation projects that strengthen the daily life of women, not only through the selection process but also through technical advisory.
7	Institutional	Focus more on South-South cooperation and exchange of experiences, to be carried out through a combination of online events and exchanges on regional or sub-regional level, which could be carried out close to where a grantee is situated, thereby facilitating field demonstrations.
8	Project management	The programme should request a no-cost extension of at least one year.
9	Diffusion of lessons learned	ISGAP should develop a database on lessons learned where it is possible to seek information by keywords and categories, e.g. climate – water – soil – biodiversity – gender – indigenous, etc, based on the new project reporting template.
10	Terminal review	The terminal review should make an analysis of all grantees or a sufficiently large sample to provide statistically relevant information about the perspectives for sustainability, based on e.g. sale of goods and services or joint ventures with the private sector.
11	Second phase	There should be a second phase, and its preparation should start as soon as possible, based on the MTR report and review of the results and lessons learned from the local projects.

12	Second phase	During the design of a second phase, the programme should move beyond grants, and raise capital through co-financing and blend with equity and loans. Potential grants to grantees that received funding during the first phase should be performance-based.
13	Sustainability	Scaling up of innovations from the ISGAP programme should also be done during the design of new and larger programmes, both for UNDP, EU and other development partners.
14	Donor coordination	UNDP should bring in other multi-lateral and bilateral donors, to make a second phase a large and impactful programme.

<sup>1</sup>All recommendations are for UNDP, to be carried out under leadership of the PMU. The PMU should present to the Board any issue where it is considered that Board approval is required.

## 2. INTRODUCTION

### 2.1 Purpose and objectives of the Mid-term Review

21. The purpose of the Mid-term Review (MTR) was to assess progress towards the achievement of the programme objectives and outcomes as specified in the Programme document and Results Framework, and assess early signs of success or failure, with the goal of identifying the necessary changes to be made, in order to set the programme on-track to achieve its intended results. The MTR should also review the programme's strategy and its risks to sustainability.
22. The MTR should assess the achievement of the programme results against what was expected to be achieved so far, as well as draw lessons that could improve effectiveness, efficiency and impact of the ISGAP platform. This report is therefore assessing initial outputs and results; quality of implementation, including financial management; assumptions that were made during the preparation stage, particularly objectives and agreed indicators, against the current conditions; factors affecting the achievement of objectives; and monitoring and evaluation (M&E) systems and their implementation.
23. The MTR should also assess the impact of the COVID-19 pandemic on the implementation of the programme and make recommendations on necessary changes in order for the programme to still continue to make reasonable implementation progress even with the COVID-19 pandemic situation affecting many countries.

### 2.2 Scope

24. The MTR covered the following four main areas:
- 1) Programme Strategy: Programme design; and Results Framework.
  - 2) Progress Towards Results.
  - 3) Programme Implementation and Adaptive Management: (i) Management arrangements; Work planning; Finance and co-finance; Programme-level M&E systems; Stakeholder engagement; Programme Risk management; Safeguards; Reporting; Communication & knowledge management.
  - 4) Sustainability: Validation of the risks identified in ProDoc and progress reports; Financial risks to sustainability; Socio-economic risks to sustainability; Institutional framework and Governance risks to sustainability; and Environmental risks to sustainability.
25. The scope of the MTR also included aspects such as examples of the results of innovative technologies and methodologies supported by the programme, review of cross-cutting issues such as gender equality and women's empowerment, use of rights-based approaches, poverty alleviation, resilience, and South-South cooperation, as well as adjustment to and impact of the

COVID-19 pandemic. Considering the moment of approval of the programme, the review was carried out in the context of the UNDP Strategic Plan 2018-2021.

26. The reports end with a chapter of Conclusions and Recommendations, where also Lessons Learned were included. The Ratings & Achievement Summary Table presents the ratings of the programme's results, as well as brief descriptions of the associated achievements.

### 2.3 Methodology

27. The Reviewer applied the following **principles** through the execution of the Mid-term review:

- a) Free and open review process**, transparent and independent from Programme management and policy-making, to enhance credibility;
- b) Review ethics** that abides by relevant professional and ethical guidelines and codes of conduct, while the MTR is undertaken with integrity and honesty;
- c) Partnership approach**, to build development ownership and mutual accountability for results. A participatory approach will be used on all levels (UNDP, partner agencies, institutions, the local organisations, and beneficiaries);
- d) Co-ordination and alignment**, to consider UNDP review procedures, and potentially help strengthen evaluation systems, plans, activities or policies;
- e) Capacity development of partners** by improving evaluation knowledge and skills, stimulating demand for and use of MTR findings, and supporting accountability and learning; and
- f) Quality control** throughout the process.

28. **Evaluation methodology:** The review paid special attention to the progress and compliance with expected project outputs and outcomes, and progress towards final outcomes and initial impacts, as well as the influence and integration of the experiences and lessons learned. There was no evaluation team, and all tasks were carried out by the sole MTR Reviewer. No international missions were included in the MTR, however, since the local projects supported are spread all over the developing countries, it would in any way have been very costly to visit a statistically relevant sample of grantees and their projects. Also the people participating in the implementation and supervision of the programme are widely spread, mostly in Asia, Europe, and the USA.

29. The review started with a study and analysis of the project documentation and preparation of the Inception Report. After that, stakeholder interviews were carried out through Teams, Zoom, GoogleMeet, Skype, Whatsapp, etc., often with follow-up through e-mail. A total of 34 stakeholders were interviewed, specified in table 4.

Table 4. People consulted during the MTR by stakeholder group

Stakeholder group	Men	Women
Project Management Unit (PMU)	4	4
UNDP – ISGAP Oversight	1	1
UNDP Representations	1	1
Programme Board	1	1
The Adaptation Fund	0	1
UNDP MPSU and Procurement	1	1
ISGAP Technical Advisory Committee	4	1
RPA Partners	2	3
Service provider	1	0
Grantees	4	2
<b>Total</b>	<b>19</b>	<b>15</b>

30. Information from background documentation, programme documents, progress report and the Internet was triangulated with mostly direct 1-on-1 interviews and some focus groups, and followed-up through e-mail consultations or additional interviews when necessary. Based on processing and analysis of all background information and data, the Reviewer assessed if the programme has given or is expected to give the intended outcomes and impact, to comply with the programme objectives.
31. The specific design and methodology for the MTR was based on the TOR, presented in the Inception Report and agreed with UNDP. The Reviewer developed a detailed review framework based on the review questions. These questions are those that the MTR report should be able to respond based on information from multiple sources. For each stakeholder interview it was given emphasis to have a flexible approach where the questions would vary according to the specific information held by each stakeholder, which is assuring efficient use of the interview time. This flexible approach also gave the opportunity to go deeper into some important topics that came up during the interviews, assuring that the total information achieved would be as complete as possible. Many questions were however repeated in interviews with different stakeholders, to triangulate the sources, thereby assuring the correct information. The approach still allows for differences of opinion, where opposing views (if any) could be mentioned in the report.
32. The Reviewer tried to cover all stakeholders that are relevant for the programme, both women and men. However, due to the limitations mentioned above, and considering the type of project it was never an option to interview many local people. Those interviewed reflect the stakeholders that according to UNDP-PMU have been the most important for implementation of the project or in relation to it. The Reviewer consider to have achieved sufficiently broad information to draw reliable conclusions.

#### **2.4 Data collection and analysis**

33. The Reviewer had all the most relevant documents available from the start of the MTR, including the results framework, which facilitated the review. Data collection was also done through the interviews, and additional sources were consulted when needed. Complementary written sources were added throughout the review.
34. After most of the interviews had been finalized, the results were processed and analyzed. The information gathered is a reflection of a process where the Reviewer was seeking the best sources according to access to reliable information, as well as to triangulate all contradictory information and sources where it could be doubts about the reliability.
35. **Target audience:** The conclusions, recommendations and lessons learned from the MTR would be useful especially for UNDP and the core partners AF and EU, as well as for United Nations Environment Programme – Climate Technology Centre & Network (UNEP-CTCN); European Institute of Innovation and Technology's Knowledge and Innovation Community (EIT Climate-KIC); Global Resilience Partnership (GRP); UNDP Bangkok Regional Hub (BRH) Youth Empowerment Team; and the Sustainable Development Goals Finance Sector Hub (SDG-FSH).
36. The content of the MTR Report, including the analysis of the indicators and lessons learned, are expected to serve UNDP and the mentioned partners for the continuation of the programme period. In addition, the Programme has built a solid global network of local executing organisations and beneficiaries who will be able to consider the results in formulating their new initiatives.

## 2.5 Ethics

37. As mentioned in 2.3, the MTR was abiding by professional and ethical guidelines and codes of conduct, assuring to undertake it with integrity and honesty. This means e.g. to respect all stakeholders and their points of view, and study the information from different angles. It was intended to use a partnership approach, however this was a bit restricted due to only online interaction. The MTR was however strictly independent, where the findings, conclusions, recommendations and lessons learned were based on study of reliable sources.

## 2.6 Limitations to the review

38. The start-up of the MTR work was a bit delayed due to the recruitment and contracting process, which somewhat affected the tight review schedule, but did not affect the conclusions. From the kick-off meeting, the review ran smoothly except for the time availability of some of the interviewees.

## 2.7 Structure of the MTR report

39. The MTR report is structured based on an analysis of elements with a logic sequence:

- a) Understand the Project Context, Theory of Change, Design, and Strategy: *What will the Project like to achieve?*  
(including review of the content and use of the results framework)
- b) Review the Project performance: *Is the Project achieving what it should, and having sufficient progress?*  
(progress towards results, barriers to overcome, project management, etc.)
- c) Consider opportunities for or risks to the *sustainability of project outcomes*  
(including financial, socio-economic, institutional and environmental issues), and
- d) *Recommendations* for improvements to strengthen the process towards the project goals.

## 3 PROGRAMME DESCRIPTION AND STRATEGY

### 3.1 Programme start and duration

40. The ISGAP programme was approved by the Adaptation Fund on October 11<sup>th</sup>, 2019. The planned end date based on the AF contribution was May 31<sup>st</sup> 2024. EU's contribution of EUR 10 million during 48 months was signed December 22<sup>nd</sup>, 2020, which leaves the end date to December 22<sup>nd</sup> 2024.

41. ISGAP is a programme under the Adaptation Fund Climate Innovation Accelerator (AFCIA), where UNDP is one of the implementing agencies. In terms of branding, the PMU try to mention AFCIA. However, when the funding from AF and EU was signed, the programme AF-EU-UNDP was called Innovation Small Grant Aggregator Platform (ISGAP).

42. In different documents, ISGAP are referred to as a project, however the Reviewer is referring to it as a *programme*, and the initiatives that are being financed by ISGAP are considered as *projects*, which would facilitate this distinction and understanding of the report text.

### 3.2 Milestones

43. The Project Performance Report (PPR) 2022 includes the following milestones:
- Adaptation Fund Approval Date: 11 October 2019 (Decision B.34/33)
  - Adaptation Fund Agreement Signature: 19 March 2020
  - Start of Programme: 18 November 2020
  - Inception Workshop: 1-3 June 2022
  - Mid-term Review Date start: Planned 1 January 2023 (was 10 March 2023)

- Terminal Evaluation Date: Estimated November 2024.

### 3.3 Programme content

44. **Objective:** To support the development and diffusion of innovative adaptation practices, tools, and technologies.
45. The programme is expected to contribute to the following Sustainable Development Goals: SDG 1 (No poverty), SDG 2 (Zero hunger), SDG 8 (Decent work and economic growth), and SDG 13 (Climate action).

Fig. 1. The Sustainable Development Goals



46. The programme has three components:

- 1) Provision of Innovation Small Grants
- 2) Provision of Technical and Business Development Capacity Building, Incubation, and Acceleration Support
- 3) Knowledge Management and sharing and Result-Based Monitoring and Evaluation.

### 3.4 Development context

#### 3.4.1 Socio-economic factors

47. The Intergovernmental Panel on Climate Change (IPCC) estimates that human activities have led to a global warming of approx. 1 °C above pre-industrial levels, and that average anthropogenic global warming is currently increasing at 0.2 °C per decade. This global challenge requires global solutions. The Least Developed Countries (LDCs) and Small Island Developing States (SIDS) are disproportionately affected and have the lowest capacity to cope and respond. Given the current and projected impacts of climate change, such as increased extreme weather, unpredictable rain patterns, prolonged drought, and rising sea levels, climate change adaptation and climate resilience efforts must increase.
48. The IPCC 6<sup>th</sup> assessment report (2022) highlights that accelerated and equitable climate action in mitigating and adapting to climate change impacts is critical to sustainable development. The reports says that trade-offs in terms of employment, water use, land use competition and biodiversity, as well as access to, and affordability of, energy, food, and water can be avoided by well-implemented land-based options, especially those that do not threaten existing sustainable land uses and land rights.
49. The global climate finance landscape focuses heavily on efforts to mitigate future temperature rise by removing greenhouse gas emissions, but a lot less attention has been paid to risk reduction and adaptation. Richmond et al (2020) estimated that only USD 22 billion per year goes to climate change adaptation comparing to the USD 436 billion per year for climate change mitigation. The



Green Climate Fund (GCF) has however the goal to deliver a 50/50 balance between mitigation and adaptation in its portfolio.

50. Entrepreneurship in all forms, whether it is non-profit, social, for profit and partnerships, is a great approach to find potential multi-functional solutions for the climate adaptation challenges.

#### **3.4.2 Institutional factors**

51. The programme is executed by UNDP under the Direct Implementation Modality (DIM). The Nature, Climate and Energy Team (NCE) of the Bureau for Policy and Programme Support (BPPS) is providing oversight services, which is separated from the execution function of the PMU.
52. The ISGAP has a very special structure, as a programme where global funding goes directly to local actors. It is also special in the sense that it is a global programme (ISGAP) within another global programme (AFCIA), which could be a bit confusing.
53. UNEP is another implementing entity of AFCIA that runs its programme separately, with its own selection criteria, but they are observer in the ISGAP Governance Structure. The AF also wanted UNDP and UNEP to launch the first call for proposals together, so the UNEP programme website appears on the ISGAP website. Some events are done together, e.g. the AF-UNDP-UNEP Innovation Hub event at COP27.

#### **3.4.3 Policy factors**

54. The UN 2030 Agenda for Sustainable Development defines climate change as one of the greatest challenges of our time and considers that its adverse impacts undermine the ability of countries to achieve sustainable development. The 1992 UN Framework Convention on Climate Change (UNFCCC), the 2015 Paris Agreement, and its 2018 Katowice rulebook form the main international policy framework for climate action.
55. Article 7 of the Paris Agreement covers adaptation, and establishes a global goal on adaptation by enhancing adaptive capacity, strengthening resilience and reducing climate change vulnerability, to contribute to sustainable development and ensure an adequate adaptation response in the context of the temperature goal of the agreement. Parties to the Paris Agreement acknowledge that adaptation action should follow a country-driven, gender-responsive, participatory and fully transparent approach, consider the vulnerable groups, communities and ecosystems, and be based on and guided by the best available science, as well as local, indigenous and traditional knowledge, to integrate adaptation into relevant socioeconomic and environmental policies and actions.
56. The Paris Agreement also foresees that Parties should strengthen their cooperation by sharing information, good practices, experiences and lessons learned, and strengthen institutional arrangements (art. 7.7). The importance of national adaptation planning processes and actions is underlined in art. 7.9, including the development or enhancement of relevant plans, policies and/or contributions.
57. The Paris Agreement is complemented by the Sendai Framework for Disaster Risk Reduction 2015-2030, with the goal to reduce and prevent disaster risks and strengthen social and economic resilience to climate change and natural disasters. At global level, adaptation is primarily financed through bilateral and multilateral climate finance in the form of grants or loans. Under the UNFCCC framework, international funding is channelled through the Adaptation Fund (AF), the Green Climate Fund (GCF), the Special Climate Change Fund <https://unfccc.int/topics/climate-finance/resources/reports-of-the-special-climate-change-fund> (SCCF), and Least Developed Countries Fund <https://unfccc.int/process-and-meetings/bodies/funds-and-financial-entities/least-developed-countries-ldc-fund> (LDCF).

58. At COP21, the global community pledged to raise USD 100 billion a year before 2020, and to use that amount as the floor value afterwards, to help developing countries in their efforts to adapt to climate change. Adaptation accounted for only 19% of total climate finance at the moment of programme approval. The Adaptation Fund was established under the Kyoto Protocol of the UNFCCC for this purpose, and up to date the Fund has committed over \$US 1 billion for 155 concrete, localized projects in more than 100 developing countries, which include 22 SIDS and 34 least developed countries, including financing of concrete adaptation projects. The Adaptation Fund is the only international grant fund solely dedicated to climate change adaptation.

### **3.5 Problems that the project sought to address**

#### **3.5.1 Problem statement**

59. The original AF project document has no problem statement, but the EU project document includes the following in this problem analysis:

60. Climate change is predicted to greatly affect the poorest people in the world, who are often hardest hit by weather catastrophes, desertification, and rising sea levels, but who have contributed the least to the problem of global warming. Despite policy shifts towards placing greater attention on the importance of local level leadership and supporting all communities and marginalized groups to build resilience for climate change, inadequate financing remains a barrier to localized adaptation efforts in developing countries.

#### **3.5.2 Threats**

61. The TOR for the MTR includes ‘threats and barriers targeted’. The word threat is however not used in the Project Document and progress reports, even though it used to be standard in the UNDP project outlines. In project management, “threat” is often used as meaning the same as external risks, and it will therefore be treated as part of the project risk management during implementation (see 4.1.2).

62. Some issues that were risks during the implementation are converted to threats for the outcome and impact of the project after the project closes, while other risks are no longer applicable. Based on the general programme design, complemented by interviews, it seems like the main threat for the programme outcomes is a potential lack of funding to assure replication and scaling-up, which would be a requirement for impact and sustainability for the local projects beyond the current programme phase.

#### **3.5.3 Barriers**

63. The AF Project Document mentions barriers only related to gender issues, where non-financial barriers can include conditions in the broader business environment, which may differentially affect women’s and men’s businesses; personal characteristics of the entrepreneurs (e.g. education and training); constraints within financial institutions; and a financial infrastructure that limit incentives to reach out to more female clients. In addition, some non-financial constraints have a direct gender dimension.

64. The EU document goes deeper into the analysis of barriers, and mentions three main barriers:

- 1) *Lack of access to funding.* Very few international climate finance funding flow directly to local actors and the intended beneficiaries have often little or no say over how funds are spent.
- 2) *Local businesses lack of capacity, specifically around financial management, safeguard and advocacy.*
- 3) *Lack of knowledge sharing and evidence on existing constraints for climate change adaptation.* Knowledge sharing is relatively limited among climate change actors in developing countries, with barriers imposed by poverty, limited infrastructure, and illiteracy.

65. The EU document also mentions several barriers for the enabling environment in developing countries, including (i) macro-economic instability; (ii) poor public institutions; (iii) labour issues, such as underemployment and lack of skills; (iv) insecure land ownership; (v) weak infrastructure; and weak business services. The reviewer comments on programme barriers also under the analysis of Theory of Change (3.8).

### 3.6 Expected results

66. The expected results of the project are included in the results framework. Table 5 summarizes the project's content with outcomes and outputs for each component. Changes are proposed and marked with strikeouts and underlined additions, with the purpose of making the logic easier to understand, without changing the content. A major difference is also that the outcomes are high-level results and *not activities*. Table 6 presents the clean version, and the full results framework with targets and % of compliance is presented in section 4.3.3 Effectiveness.

Table 5. Summary of the project content with proposed changes (source: Project Document)

<b>Programme Objective:</b> To support the development and diffusion of innovative adaptation practices, tools, and technologies.		
<b>Components</b>	<b>Outcomes</b>	<b>Targets at project completion</b>
1. Provision of Innovation Small Grants	1.1 <del>Development of</del> Innovative adaptation practices, tools and technologies <del>encouraged and</del> accelerated	1.1.1 <del>Minimum of</del> <u>At least</u> 5 out of 10 funded projects with innovative adaptation practices, tools and technologies ( <del>up to</del> <u>at least</u> 50% with women as team leaders)
	1.2 Evidence of effective, efficient adaptation practices, products and technologies <del>generated</del> as a basis for implementing entities and other funds to assess scaling up	1.2.1 <del>Minimum of</del> 5 out of 10 funded projects that <del>demonstrate</del> Findings and evidences of effective and efficient adaptation practices, products, and technologies <u>from at least 50% of funded projects</u> ( <del>up to</del> <u>at least</u> 50% with women as team leaders)
2. Provision of Technical and Business Development Capacity Building, Incubation, and Acceleration Support	2.1 Grantees' innovation and business development capacity enhanced	2.1.1 All grantees complete grant disbursement against performance target within 24 months after grant agreement signed
		2.1.2 At least half of the grantees received additional support/funding to scale up and/or replication
3. Knowledge Management and sharing, and Result-Based Monitoring and Evaluation	3.1 <u>Replication of project ideas based on</u> lessons learned that are codified, documented, and disseminated/shared <del>leading to adoption or replication of project ideas by others</del>	3.1.1 Four annual web-based publication/ blog and lessons learned, and at least four technical brief/blog on specific topics

Table 6, Summary of the project content (updated version based on changes in table 5).

<b>Programme Objective:</b> To support the development and diffusion of innovative adaptation practices, tools, and technologies.		
<b>Components</b>	<b>Outcomes</b>	<b>Targets at project completion</b>
2. Provision of Innovation Small Grants	1.1 Innovative adaptation practices, tools and technologies accelerated	1.1.1 At least 5 funded projects with innovative adaptation practices, tools and technologies (at least 50% with women as leaders)
	1.2 Evidence of effective, efficient adaptation practices, products and technologies as a basis for implementing entities and other funds to assess scaling up	1.2.1 Findings and evidences of effective and efficient adaptation practices, products, and technologies <u>from at least 50% of funded projects</u> ( <u>at least</u> 50% with women as leaders)
2. Provision of Technical and Business Development Capacity Building, Incubation, and Acceleration Support	2.1 Grantees' innovation and business development capacity enhanced	2.1.1 All grantees complete grant disbursement against performance target within 24 months after grant agreement signed
		2.1.2 At least half of the grantees received additional support/funding to scale up and/or replication
3. Knowledge Management and sharing, and Result-Based Monitoring and Evaluation	3.1 Replication of project ideas based on lessons learned that are codified, documented, and disseminated/shared	3.1.1 Four annual web-based publication/ blog and lessons learned, and at least four technical brief/blog on specific topics

### 3.7 Main stakeholders

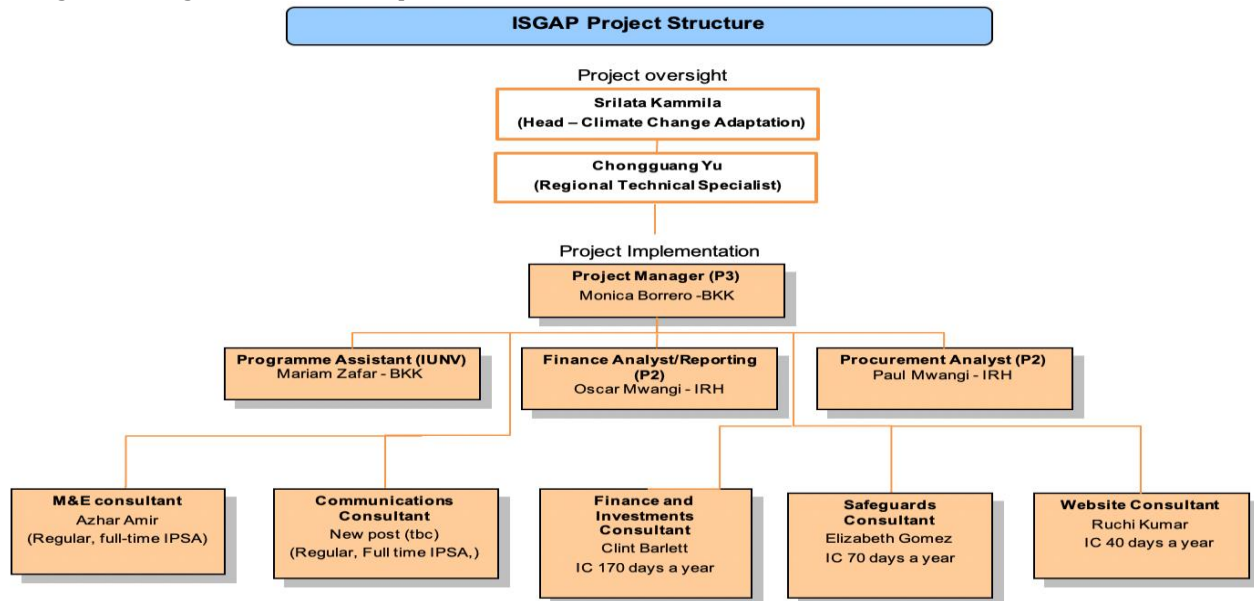
#### 3.7.1 Implementing partner

67. The programme is implemented by UNDP under the Direct Implementation Modality (DIM). There is no official implementing partner, but strong partnership with the funding agencies AF and EU, as well as with other partners that participate in the execution through separate agreements. The programme management structure is highly decentralized, with the staff members established in Bangkok and Istanbul, and long-term consultants operating from multiple countries.

#### 3.7.2 Partner arrangements

68. The UNDP Nature, Climate and Energy Team (NCE) of the Bureau for Policy and Programme Support (BPPS) is providing oversight services, including the Programme Technical Advisor (PTA) of Climate Change Adaptation, who gives strategic and policy advice. The Regional Technical Specialist (RTS) - Climate Finance and Investment is located in Bangkok, and provides daily oversight to the Programme Management Unit (PMU), established between the Bangkok Regional Hub (BRH) and the Istanbul Regional Hub (IRH). The Programme Manager and the Programme Associate are located in Bangkok, while the Procurement Analyst and the Finance and Reporting Analyst are located in Istanbul. Several additional international consultants that support the PMU globally are home-based in many different countries. The programme oversight function is performed by the PTA and the RTS, and is separated from the PMU execution function.

Fig. 2. ISGAP governance and implementation structure



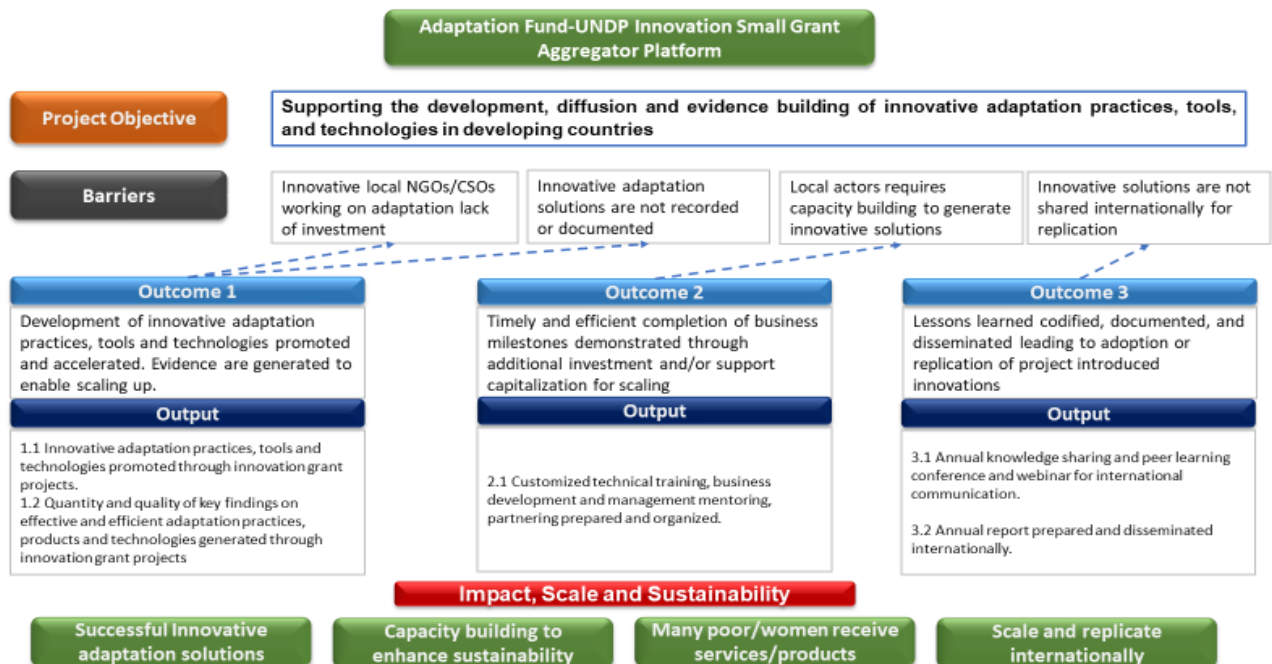
69. The Board of the programme has one representative of UNDP (Chair) and one representative of the EU. The Adaptation Fund decided not to participate because they would like a clear separation between AF as funding agency and the implementation.

70. Regional and local execution partners consist of the Global Resilience Partnership (GRP), Climate Technology Centre & Network (UNEP-CTCN), International Centre for Climate Change and Development (ICCCAD) and Asian Venture Philanthropy Network (AVPN). A Technical Advisory Committee consists of UNDP SDG Finance, UNDP-GEF SGP, UNDP BRH Youth Empowerment Team, UN Capital Development Fund (UNCDF), European Institute of Innovation and Technology's Knowledge and Innovation Community (EIT Climate-KIC), USAID, Adaptation Fund Climate Innovation Accelerator (AFCIA), and Sustainable Development Goals Finance Sector Hub (SDG-FSH). Deloitte Australia is a service provider for grantee/project selection.

### 3.8 Theory of Change

71. A Theory of Change (TOC) is a method used for planning a programme or project. It articulates long lasting intended impact and then maps backward to identify the preconditions necessary to achieve this impact(s). It is a comprehensive description and illustration of how and why a desired change is expected to happen in a context.
72. The Reviewer analysed the TOC of the programme, and considers that it has a simple structure that is easy to understand, consisting of three clearly different components: (i) Provision of grants; (ii) Capacity building; and (iii) Knowledge management and M&E. (see figure 3). The diagram does however not comply with a main purpose of a TOC analysis, which is to define the relationships between different outputs and outcomes, and the sequence of activities, which is an important tool for project planning. In the ProDocs TOC figure it seems like the three components have independent processes that are not dependent of each other.
73. Note that a TOC analysis does not require barriers for all outcomes, and there could be zero or several barriers for the same outcome. In this case, “Innovative local NGOs/CSOs working on adaptation lack investment” is a real barrier, because it exists independent of the programme. Another real barrier is “low capacity to generate innovative solutions” (not “local actors require...”). The two other barriers are very vague, and basically saying that the barriers are “the lack of the programme”. These are not important barriers to success of a specific local NGO/CSO. More important barriers would be e.g. tender to land and natural resources, framework conditions such as markets and taxation, lack of integration of producers, and geographic remoteness of the NGO/CSO.
74. Another weakness with the TOC analysis is that it does not determine the expected impact. What is mentioned in the last line are programme/project activities, but not the impact of those activities. The question is: -how would the outcomes impact on the life of local stakeholder? It is also a problem that Impact, Scale and Sustainability have been put together. Impact and sustainability are two different things, and that is why they are two different OECD-DAC criteria. Scaling-up and replication could be considered as one aspect of sustainability.

Fig. 3. Theory of Change diagram (source: Project Document).



## 4 EVALUATION FINDINGS

### 4.1 Project design and formulation

75. The Reviewer analysed the quality of programme design, based on the key sources the Project Document with annexes, including the Results Framework. The design is strong in the sense that it covers only one topic which is implemented through three clearly defined components, and is very specific in what it wants to achieve. On the other hand, considering the extensive experience with UNDP-GEF small-grants programme and in the Adaptation Fund, it should have been expected to have a stronger methodology and tools established before approval.

#### 4.1.1 Analysis of Results Framework

##### (i) Project logic and strategy

76. As mentioned under the discussion about the TOC, the project has a simple structure with three components and four outcomes that go towards a common goal. It is good that the programme is focusing on one objective that is important to achieve, instead of (as in many other projects) being a package of independent activities.

77. It is understood that the programme has not been developed on output level because the individual projects funded are the main outputs. However, the few targets defined for the outcomes are in fact outputs. The programme logic is not developed on higher level, from outcomes to impact.

78. Some wording in the results framework is misleading, and should be adjusted for clarity (see table 5-6, reflected also in table 11). The main adjustments required has to do with the following issues: (i) Outcomes presented as activities; (ii) Not clear enough relation between indicator and target; (iii) there are two gender targets, but no gender indicator; and (iv) targets consisting of different issues that had to be subdivided to be able to compare results with the targets.

79. For the objective of this analysis, and for the TOC, the following definitions have been used:

**Output:** The availability (for intended beneficiaries/users) of new products and services and/or gains in knowledge, abilities and awareness of individuals or within institutions.

**Outcome:** The use (i.e., uptake, adoption, application) of an output by intended beneficiaries, observed as a change in institutions or behaviors, attitudes or conditions.

**Impact:** Long-lasting results arising, directly or indirectly from a programme or project.

80. To summarize, an outcome is the use of an output, and the impact is the long-term result of this use. It might seem not so relevant to make changes on a Results Framework long after its approval, but it is up to the PMU, Programme Oversight and the Board if any changes should be introduced in the M&E system. The proposed changes should also be seen in light of the MTR's *Capacity development of partners*, to provide learning that could be useful during the design of new projects.

##### (ii) Indicators

81. Indicators should be SMART (Specific, Measurable, Achievable, Relevant/Results-oriented and Time-bound). This is the case for the ISGAP programme except for the the issues mentioned under (i) above to make them more specific. The indicators are also measurable because the results framework measures only the difference made by the programme, so all baselines are zero, and they are highly relevant and results-oriented. All targets are time-bound if the whole implementation period is regarded as the timeline, and one target says specifically that all grantees will complete grant disbursement against performance target within 24 months after the grant agreement was signed.

82.Regarding the use of indicators for planning, monitoring and review of results, it is more than wording because the key issue is that baseline and target must use the same unit of measure. The indicator must also be sufficiently concrete, normally defined by a number.

#### 4.1.2 Assumptions and risks

83.Assumptions and risks are both factors outside project management’s direct control. The assumptions are significant external factors or conditions that need to be present for the realization of the intended results, while risks (sometimes called threats) are significant external factors that could negatively affect the project’s performance in case of occurrence. Assumptions are therefore often considered as positively formulated risks.

Table 7. Review of assumptions and risks

Targets	Assumptions and risks	Reviewer’s comments
<b>Outcome 1.1:</b> Innovative adaptation practices, tools and technologies accelerated		
1.1.1 At least 5 funded projects with innovative adaptation practices, tools and technologies (at least 50% with women as leaders)	Sufficient pool of applicants with innovative ideas after the global call for proposals with proactive sourcing from development partners with particular emphasis on LDCs/SIDS, women and other vulnerable groups	<b>Relevant assumption</b> , even though the issues of LDCs and SIDS are not reflected in the target. Instead of “with particular emphasis on...” it could be a second assumption: “Sufficient % of applicants from LDCs, SIDS, women led NGOs/CSOs and other vulnerable groups to assure their high representation among approved projects”
<b>Outcome 1.2:</b> Evidence of effective, efficient adaptation practices, products and technologies <del>generated</del> as a basis for implementing entities and other funds to assess scaling up		
1.2.1 Findings and evidences of effective and efficient adaptation practices, products, and technologies from at least 50% of funded projects (at least 50% with women as leaders)	Successful generation of findings and evidences of effective and efficient adaptation practices, products and technologies from the funded projects	<b>This is not an assumption</b> , but an expectation that the project would be successful in what it should do. Relevant assumptions could be e.g.: (i) High % of effective and efficient adaptation practices, products, and technologies among project proposals; (ii) High % of women led NGOs/CSOs among successful grantees
<b>Outcome 2:</b> Grantees’ innovation and business development capacity enhanced		
2.1.1 All grantees complete grant disbursement against performance target within 24 months after grant agreement signed	With technical and business development/ acceleration support, all grantees can achieve their performance and disbursement target within 24 months provided there are no force majeure events	<b>This is a combined assumption and risk.</b> Proposed assumption: All grantees have sufficient capacity to comply with performance target within 24 months, with programme technical assistance. Proposed risk: Force majeure events affect performance of grantees [it is OK that it is not more specific, since the projects are so different]
2.1.2 At least half of the grantees received additional support/ funding to scale up and/or replication	There are sufficient pool of investors and funders as well as proven innovative projects funded by ISGAP	<b>This is a relevant assumption</b> , but an improvement could be: Sufficient pool of investors and funders interested in scaling up or replicating the proven innovations funded by ISGAP
<b>Outcome 3:</b> Replication of project ideas based on lessons learned that are codified, documented, and disseminated/shared		
3.1.1 Four annual web-based publication/ blog and lessons learned, and at least 4 technical brief/ blog on specific topics	Lessons learned and codified knowledge are widely shared with potential users	<b>This is not an assumption</b> , but an expectation that the project would comply with its tasks. There is no need to present an assumption for this target (which here defines outputs). An assumption on outcome level could be “project ideas are replicated based on documented and disseminated lessons learned”

84. The Results Framework presents several assumptions and one risk. The assumptions presented for the targets are indirectly also for the outcomes, however the expected replication in Outcome 3 does not necessarily happen despite the targets in 3.1.1. The following table includes the adjusted text from table 6 but is reviewing the assumptions and risks, where green are relevant assumptions, red are bad or not relevant assumptions, and purple is a combination of assumption and risk. As explained in the comments below, the main error committed is to consider it an assumption that the project would do what it was supposed to do, while as previously mentioned the assumptions are outside project management's control. Apart from the combined assumption and risk for target 2.1.1, there are no other risks mentioned, despite that the column title in the results framework says "assumptions and risks" and there are seven risks mentioned in the UNDP risk log (Annex 6 to the ProDoc). - Table 6. Review of assumptions in the Results Framework.
85. The programme's Risk log includes only real risks, because it is focusing on the performance of the grantees and the projects supported, which are issues outside programme management's direct control. It is also highly positive that the risk management considers both Impact and Probability. The risk assessment is re-visited in the annual performance reports, as well as mitigation measures. The mitigation defined in the last report (Dec 2022) is relevant, but includes much additional descriptive text which is not necessary.
86. It is recommended to focus on the highest risks (probability multiplied by impact), which are for number 3 - Project implementation delay, and number 6 - Environmental, social and governance risk not managed, triggering risk events.
87. A negative factor in the risk analysis is that no risks were considered for the overall programme. Such risks could be e.g. low performance of executing partners, and reduced budget due to exchange rate between EUR and USD. The last thing effectively happened, because the EU funding is now less worth in USD than at the moment of approval (see 4.2.3).

Table 8. Risks considered in design and current assessment

No.	Risk	Original rating <sup>1</sup>	Current rating	Summary of current risk mitigation
1	Misappropriation of the grant funding	P = 2 I = 2	[medium risk] still valid	Performance based disbursement: Each grantee >70% of progress targets for their LVGA. ISGAP Finance Analyst deployed to ensure financial transparency.
2	Lack of participation at the global call for proposals	P = 2 I = 2	Risk not valid anymore Risk eliminated	ISGAP received more applications than expected, and the 2 call for proposals were successful. 384 applications were received in the first call and 462 in the second.
3	Project implementation delay	P = 3 I = 2	[medium risk] still valid	Revise and update work plan, to catch up on delivery. Revise low-value grant agreements to capture more disaggregated data. Develop online M&E system for data collection and reporting.
4	Success is overstated in the progress report while failure is understated or unreported	P = 4 I = 1	[medium risk] still valid	Reporting template has a section where it is mandatory to report on successes and failures. Every success story should be backed by solid evidence from the grantees.
5	Grantees fail in securing scale up and replication support and funding from other sources after the completion of the project	P = 4 I = 1	[medium risk] still valid	Support to grantees through various channels to scale up and replicate high-impact-driven ideas, e.g. capacity building, networking, advocacy and specialized technical assistance.
6	Environmental, social and governance risk not managed, triggering risk events	P = 2 I = 3	[low risk] still valid Risk was reduced since start	Environmental, social and governance criteria in every step of ISGAP, using UNDP SESP as benchmark. Prepare ISGAP Safeguard guidelines and grievance redress mechanism, to become main references for new grantees. ESG risk identification questions in Cohorts 1 and 2. Simplified SES template for each selected grantee to review social and environmental risks quarterly. Quality assurance, technical guidance, and training on safeguards.



7	ISGAP does not attract sufficient support from private sector	P = 5 I = 1	[medium risk] still valid	1. 6-month mentorship programme by Anderson School of Business - UCLA, for skills transfer and exchange. 2. Roundtables at Yale University to showcase ISGAP attended by crucial funding- and intermediary-actors. 3. Engagements with AVPN to carry out a round tables with private sector stakeholders, to be followed by future investor or matchmaking events.
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<sup>1</sup>Probability and Impact in case of occurrence were both measured on a scale from 1 (low) to 5 (high).

### **4.1.3 Lessons learned and planned stakeholder participation**

#### **(i) Lessons from other projects incorporated into the design**

88. The ProDoc does not mention specific lessons that were incorporated into the programme design. It however clearly states that the programme is building on the experience and lessons learned of UNDP and its networks, AF, and many partners (see ii). It is not expected to have much new global innovations, but ISGAP recognise as innovation something that is new in the country where the grantee is operating.

#### **(ii) Planned stakeholder participation**

89. Previously existing UNDP networks such as the UNDP-GEF small grants programme (SGP) and its capacity building initiatives, Youth Empowerment Portfolio in Asia & Pacific (APAC), and FSH were expected to provide their technical assistance support (in-kind) to the grantees with their capacity through their local networks, by involving grantees in relevant trainings, booth camps, consulting and mentorship sessions, which is commonly done by these structures.

90. A global expert network was designed for specific innovation assistance, where UNDP work with global partners such as Global Resilience Partnership, Climate-KIC, Stockholm Climate Security Hub and Global South Partners, to increase total available resources and provide tailored assistance to grantees. The grantees are encouraged to collaborate with relevant national institutions and the private sector to further enhance their ideas. ISGAP provides match-making services to grantees to help them find the right global partner to assist their innovations.

#### **(iii) Linkages with other interventions**

91. The programme has a direct linkage with the Adaptation Fund Climate Innovation Accelerator (AFCIA), aims to foster innovation in climate change adaptation in developing countries. The programme targets a broad range of potential finance recipients, including governments, non-governmental organizations, community groups, entrepreneurs, young innovators and other groups. It awards competitive grants of up to US\$ 250,000 each. The accelerator was announced by the Adaptation Fund at the UN Climate Change Conference COP25 Dec. 2019 and launched in November 2020 by AF together with UNDP and UNEP/CTCN. It is expected that this programme will help to encourage and accelerate new innovations, develop innovative adaptation practices, tools and technologies, as well as generate evidence of effective, efficient adaptation practices, products and technologies to assess scaling up. ISGAP has also linkages with programmes and activities carried out by their partners (see 4.1.3 ii and table 9).

## **4.2 Project management and progress towards results**

### **4.2.1 Adaptive management**

92. Adaptive programme management was necessary right from the start, since the first year of ISGAP coincided with the first year of COVID-19. This slowed down the start-up and limited international travel. It however accelerated the use of international network building through the Internet and online meetings with programme partners. The pandemic also had a significant negative impact on procurement and recruitment of the PMU staff. It therefore took more than a year to set up the

PMU and start implementation activities. From 2022 the programme team had to adjust to a more normal work situation, even though COVID-19 is still strong in many countries where the grantees are situated. The PMU and partners have done a special effort to catch up with what was lost in the beginning, with the goal of reaching the expected outcomes during the implementation period. For 2023, the team has revised and updated the work plan, which was endorsed during the third Board Meeting Dec 2022.

#### **4.2.2 Actual participation and partnership arrangements**

93. The project has maintained the structure that was described in 3.7.1-3.7.2. **The Board** is responsible for taking corrective action as needed to ensure that the programme achieves the desired results. In order to ensure UNDP's ultimate accountability, Board decisions should be made in accordance with standards that shall ensure management for development results, best value of money, fairness, integrity, transparency and effective international competition.
94. Specific responsibilities of the Project Board can be summarised as: (i) Provide overall guidance and direction to the programme; (ii) Address issues raised by the programme manager (PM); (iii) Agree on PM's tolerances as required, and provide direction and advice for exceptional situations if the PM's tolerances are exceeded; (iv) Advise on amendments to the programme; (v) Ensure coordination between donors and government-funded projects and programmes; (vi) Ensure coordination with government agencies and their participation in programme activities; (vii) Review the programme's progress, assess performance, and appraise the Annual Work Plan for the following year; (viii) Appraise the annual implementation report, including quality assessment rating report; (ix) Ensure commitment of human resources to support implementation, arbitrating any issues; (x) Address programme-level grievances; (xi) Approve the programme Inception Report, Terminal Evaluation report and management responses; and (xii) Review the final programme report package during an end-of-project review meeting.
95. The PMU shares the final set of recommended grantees per cohort, and seeks endorsement from the Project Board.
96. **The Programme Manager (PM)** is a UNDP P3 staff member. The first person recruited later on rejected the position, giving delays due to a new recruitment process. Programme Manager number 2 came onboard but got health problems, which limited progress and delayed moving to the UNDP regional hub in Bangkok. The PM has only recently arrived in Bangkok, during the MTR implementation.
97. **The Programme Management Unit (PMU)** is coordinated by the PM. The PMU is in charge of: (i) programme management and execution of activities; (ii) procurement and financial management; (iii) publication of project financing opportunities, shortlisting and proposal for selection of grantees; (iv) progress reports and use of budget resources; (v) management reports to the ISGAP Programme Board, UNDP, AF and EU; (vi) inter-institutional coordination with programme funding agencies and executing partners; (vii) backstopping of partners that give support to the grantees; and (viii) dissemination of programme results, including website management.
98. As previously mentioned, ISGAP rely on many networks, as well as other global, regional and national partners. The table below is a brief analysis of the main stakeholders that are important for ISGAP, and their roles and relations with the Programme.

Table 9. Key stakeholders related with the ISGAP programme

Stakeholders	Roles and responsibilities for the programme implementation	Type of stakeholder <sup>1</sup>
United Nations Development Programme (UNDP)	Implementing agency through PMU, participation in the Programme oversight and Board	IG
European Union (EU)	Funding agency for ISGAP, member of the Board	IG
The Adaptation Fund (AF)	Funding agency for ISGAP	IG
UNDP-GEF Small Grants Program (SGP)	Member of ISGAP Technical Advisory Committee	IG
UNDP Sustainable Development Goals Finance Sector Hub (SDG-FSH)	Member of ISGAP Technical Advisory Committee	IG
Adaptation Fund Climate Innovation Accelerator (AFCIA)	Global partner with ISGAP	IG
United Nations Environment Programme – Climate Technology Centre & Network (UNEP-CTCN)	Global partner with ISGAP	IG
UNDP BRP Youth Empowerment Team	Member of ISGAP Technical Advisory Committee	IG
UN Capital Development Fund (UNCDF)	Member of ISGAP Technical Advisory Committee	IG
Global Resilience Partnership (GRP)	Programme Partner registered in South Africa, Co-hosted by Stockholm Resilience Centre	NG
Knowledge and Innovation Community (EIT Climate-KIC) supported by European Institute of Innovation and Technology	Member of ISGAP Technical Advisory Committee	ST
USAID Climate Ready Programme	Member of ISGAP Technical Advisory Committee	G
International Centre for Climate Change and Development (ICCCAD)	Programme Partner. Collaboration Bangladesh Centre for Advanced Studies, IUB, and IIED	ST
Asian Venture Philanthropy Network (AVPN)	Programme Partner	NG/BI
African Venture Philanthropy Alliance (AVPA)	Indirect partner under agreement with AVPN	NG/BI
LatImpacto	Indirect partner under agreement with AVPN	NG/BI
Non-governmental and civil society organisations (NGO, CSO)	Programme beneficiaries (grantees)	NG
Deloitte Australia	Service provider for grantee review from 2 <sup>nd</sup> round	BI

<sup>1</sup>Stakeholder group refers to the nine main groups recognized by Agenda 21, where these are included in the table: *BI*=Business and Industries; *NG*=Non-Governmental Organizations; and *ST*=Scientific & Technological Community. The Evaluator Reviewers has added Governmental (*GO*) and Inter-governmental organizations (*IG*).

#### 4.2.3 Project finance and co-finance

99. The programme was approved June 1<sup>st</sup> 2020 with a budget of USD 5 million) from the Adaptation Fund, which was complemented shortly thereafter by a 48 months contribution from the EU of EUR 10 million. After discounting the UNDP agency fee/administration cost (8.5% for AF, 7% for EU), the AF funding for project activities is USD 4,608,295 and the EU funding for project activities is EUR 9.3 million. The fee goes into the general organisation, while the PMU is fully funded by the project budget, and also certain % of the oversight staff is funded by this budget. The EU funding had at the time of signing a value of approx. USD 11.9 million, considering the exchange rate at that moment (USD 11,067,000 after fee). Currently (April 26, 2023) the total EU financing is only approx. USD 11.05 million (USD 10.3 million after fee). This gives a total available budget for project activities of approx. USD 14.9 million, which could go up or down during the rest of the implementation period. The table below includes however the figures before fee. One reason for this is that UNDP discounts the AF on the overall budget, but for EU it is done for each transaction.
100. The cumulative disbursements as of Dec. 31, 2022 were USD 2,333,575, and the delivery rate at the same moment (expense against the total approved budget) was 13.8%.

Table 10. Project budget by component and spending by Dec 31, 2022 (USD), source: PMU.

Component	Total project budget	Spent by 31.12.22		Total Spent	% of budget spent	% of spending
		AF	EU			
1.1	6,622,180	469,610	703,945	1,173,555	17.7	50.3
1.2	1,252,577	0	39,095	39,095	3.1	1.7
2.1	3,414,780	740	417,103	417,843	12.2	17.9
3.1	965,126	7,687	41,426	49,112	5.1	2.1
3.2	827,693	1,820	97,369	99,189	12.0	4.3
PMU & indirect costs	3,839,579	222,163	332,617	554,781	14.5	23.7
<b>Total</b>	<b>16,921,935</b>	<b>702,020</b>	<b>1,631,155</b>	<b>2,333,575</b>	<b>13.8</b>	<b>100</b>

101. The official expenditure report for 2022 was submitted in January 2023 when the submission to both donors was due. Half of the funds have gone to LVGAs (component 1), while approx. 18% have gone to technical assistance (component 2). Not much has been spent on component 3, but there is expected more spending in 2023 when there will be many in-person meetings.
102. The programme is following the UNDP rules and regulations for financial management and procurement, and the control of procurement is done from UNDP in Copenhagen. There are however no project audit reports yet. ISGAP is a DIM project, so it is subject to DIM audit regulations. UNDP's Office of Audit and Investigations (OAI) handles DIM audit processes and selects DIM projects for audit on annual basis based on OAI's risk assessment.
103. UNDP's Director for Nature, Climate and Energy, Executive Coordinator - Environmental Finance/ BPPS/UNDP, confirmed that in relation to the EU Contribution Agreement, (i) the information submitted under Article 3 General Conditions of the Agreement for the financial periods 2021 and 2022 is properly presented, complete and accurate; (ii) The expenditure was used for its intended purpose as defined in Annex I of the Agreement; (iii) The control systems put in place give the necessary assurances that the underlying transactions were managed in accordance with the provision of this Agreement; and (iv) The Organisation performed the activities in compliance with the obligations laid down in the Agreement and applying the accounting, internal control, audit systems and procedures for grants and procurement. He further confirmed not to be aware of any undisclosed matter which could harm the interests of the EU.
104. Apart from the co-financing between the funding partners AF and EU, no other co-financing is reported. According to the programme document it is not required that the target beneficiaries have to pay any co-financing (cash or in-kind), but it is crucial that project proponent articulate how the project would be operationally sustainable. There it is not required to report on co-financing, the grantees have not done it, even though there is a large amount of parallel financing (to the same organisations) and in-kind co-financing involved.
105. A sample of grantees interviewed during the MTR could inform about in-kind co-financing such as time involved, equipment, natural resources, and offices. In Brazil there was also one example of institutional co-financing, where the NGO "Association for Studies and Projects with Indigenous Peoples and Minorities" (AEPIM) implemented a compensation project financed by the private sector with the same Guaraní indigenous communities in the same sector (agroforestry). Even though such examples are not co-funding that goes into the project budget they are important for sustainability of the project activities.

106. After the initial delays, due to both recruitment problems and the COVID-19 pandemic, implementation progress and level of disbursement has been improving, but there is still a long way to catch up with a normal “burn rate”. The mentioned weakening of the Euro towards the Dollar could however mean that there would lower total overall budget than expected.

#### **4.2.4 Monitoring & Evaluation**

107. The project has a quite clear design, but some aspects of the results framework complicates its use for M&E (See 4.1.1- 4.1.2 and table 5-6). Risks and safeguards were also defined, with the possibility of monitoring both issues through the implementation.

108. The Results Framework is used as the main tool for monitoring during implementation, which is positive because it facilitates the reporting to UNDP, AF and the European Community (EC). The yearly reports are good and combines information with pictures that facilitates the understanding of what ISGAP is supporting.

109. The monitoring and evaluation of the grantees and their projects was limited from the start, before the projects were approved and started activities. The first reporting format was not understood easily by all grantees, especially those that are not used to work with international funding. This led to very variable quality and many misunderstandings that had to be resolved. Based on that experience, the PMU reformulated the format and also carried out the large job of filling in information about each grantee and their Project in the format, based on the proposals. This new format is much easier to handle, and it also limits the information the grantees have to fill in for each window. However, to be completely sure, the PMU carried out training sessions on reporting and use of the format.

110. All grantees interviewed are satisfied with the new format and the training on its use. They however mention that in any Project the circumstances could change over time, so based on the original proposal there would always be some adjustments during implementation, which is reflected in the reports. They also comment that 3-monthly progress reports (6 reports in 18 months) is too much. The Consultant agrees with that point of view, and considers that it should be compulsory with a progress report only each semester. This could be combined with an additional report only to be presented for the grantees that have major changes in their Project compared with the agreed work plan.

111. The ISGAP programme risks are reported in the yearly reports to the donors (two so far), but it is a pity that the risks and safeguards are mixed together in the text, including use of the term ‘grantee-specific safeguard risks’. The Consultant discussed this issue with the ISGAP’s safeguards consultant, who confirmed that there is a lot of confusion about risks and safeguards, even within UNDP. Then it should not be any surprise that most grantees don’t understand the difference and would have problem with reporting about it. This is however an issue that goes far beyond ISGAP, and is a monitoring and reporting problem in the UN organisations and also some donors.

112. The figure below tries to simplify the *correct understanding of project risk and safeguards*. Risks are external factors outside project management’s control that could have a negative impact **on the project**, while safeguards are what the project should do to avoid having a negative impact **on the external environment**.

Fig. 4. Simplified presentation of project risks and safeguards (Norheim 2023)



113. The Consultant does not understand the reasons why the programme's work on safeguards at the grantee's level has taken longer than expected, and is only now being finalized. Since the ISGAP programme was initiating with financing from the AF, and could also rely on the experience from the UNDP-GEF small grants programme (SGP), it should have been an easy task to use the safeguards protocols of AF or SGP, and only reformulate the few areas that could be different. This task should not have taken more than maximum one month.
114. The progress report however argues that in the past, Environmental and Social Management Guidelines (ESMG) were only designed considering project-level risks and not the 'grantee-specific safeguard risks'. Apart from the confusing term commented on above, the Consultant does not agree with the argument. The reason is that ISGAP is a programme that is financing small projects. The risks in these projects should be treated as risks and the safeguards should be treated as safeguards. The programme safeguards should be general and applied in all projects. The risks are different, since the projects are very different. What should be understood is that there would always be risks for small innovative projects, and with higher degree of innovation – higher risk. What is a risk on local project level is however not necessarily a risk on programme level, because for an innovation programme it is quite normal that some initiatives would fail. It could in fact be raised the question if ISGAP has been too eager not to fail, and thereby not given enough room for the most innovative proposals. Since the Consultant has not had access to the original applications, only to the selected ones, this hypothesis cannot be confirmed.
115. Back to the issue of safeguards, most small environmental projects would normally not have any significant negative impact, but there is no guarantee. For instance, adverse impacts could be the case if a project is working with invasive alien species (IAS), where e.g. exotic tree species are often preferred due to their fast growth. A negative social impact could be the result without sufficient consultation with local communities or the use of Free, Prior and Informed Consent (FPIC) on work with indigenous peoples. A lack of coherent safeguards application on local level could be a risk for the overall programme, because it is mostly outside ISGAP's monitoring control, and a highly negative impact could in the worst case turn into negative reputation for the overall programme.
116. The programme's ESGM and its guidance document are expected to be simple enough to not over-load grantees with reporting requirements. A comprehensive identification of safeguard risks and management measures per grantee was conducted, and has been revised by the first cohort of grantees. The ESGM will be implemented from 2023, and involve capacity building sessions for *both the PMU and the grantees*.
117. Another issue to comment on is the monitoring of gender related issues in project activities. The ISGAP programme has an end-of-programme target (Dec. 2024) of one lessons learned brief on innovative ways to address gender inequality in adaptation to climate change. Gender participation is one of the selection criteria for the local projects, but it is not part of the overall

results framework. The Board meeting Dec 2022 recommended the PMU to ask the grantees to segregate gender data and gender empowerment in their projects. This has now been implemented, and all grantees have at least one gender-related indicator to report against it included in their low-value grant agreement (LVGA).

#### **4.2.5 Implementation**

##### **(i) UNDP implementation and oversight**

118. UNDP is both the AF Implementing agency and in charge of execution through a DIM. UNDP also provides skilled PMU team members and consultants, that despite considerable delays in being contracted have been doing an excellent job, to the satisfaction of most grantees. The national stakeholders interviewed were all positive to UNDP's handling of the project management. It should also be mentioned that UNDP's work with implementation and oversight was facilitated by the Board, consisting of one representative of UNDP and one representative of the EC, and two persons from UNDP in charge of oversight (part-time). The programme is also counting on an 8-member advisory committee that consists of representatives of different partners.

119. The MTR Reviewer received very positive comments from the grantees about the PMU and programme consultants. Most comment that this programme is different, and some highlight that ISGAP "is not only giving the money, but we feel that they are concerned about scaling-up the results". The Reviewer's understanding is that this has more to do with personalities and attitude than with the programme's structure, because the fact that the PMU is situated far from most of the projects and does not have the budget to visit most of them could easily have led to the opposite result.

##### **(ii) Implementing Partners' execution**

120. There is no "main implementing partner". The AF and EU are funding agencies, and do not take part in the implementation. The AF has even decided not be represented in the programme board, to not be part of any implementation decisions, while EU is part of the board. There are however many partners involved in the execution on lower level that participate in some of the project activities based on their profiles and skills. Many of these are represented in the advisory committee, while others have been selected based on international calls from ISGAP (see 3.7 and table 9). When the programme make global calls, it is with the purpose of filling the gap of staff capacity not found in the PMU (both topics and available time). To be able to present a proposal that covers any country, the Asian network AVPN teamed up with their own partners AVPA in Africa and LatImpacto in Latin America & Caribbean.

##### **(iii) Overall project implementation**

121. The programme got a slow start. First of all, it took very long time to recruit the PMU. The candidate first selected for Programme Manager dropped out, and the recruitment process had to start again. When the new candidate finally was contracted she had a long sick leave, but started to operate from Panama before moving to the Bangkok regional hub in April 2023. After she had been contracted, she had to take care of the recruitment process for the rest of the PMU. Since the recruitment processes in UNDP take long time, often a year, the full PMU team has been onboard only at mid-term. This has greatly affected PMU's performance, and has also required adaptive solutions. The Technical Specialist, Climate Finance & Investment that is in charge of programme oversight had to step in and function as the de-facto manager until the official manager was onboard. Also this manager and the other PMU staff manager have done many tasks outside their TOR to be able to move the programme without many key staff members. Considering all the mentioned challenges, as well as the COVID-19 pandemic in the start-up period, it is quite

impressive that the programme has been able to achieve nearly half of the end targets at mid-term (see 4.3.3 – Effectiveness).

#### **(iv) Coordination**

122. The ISGAP Programme Board has functioned well according to the opinion of its representatives and other stakeholders participating in the project. It is however very small (two persons), but this has partly been compensated by the participation of board observers such as CTCN-UNEP. It was highlighted by several persons that the Board members are active, interested, and highly involved in what is going on in the programme, including in the periods between meetings.
123. The members of the the technical advisory committee have also been very interested and active, and served as a reference point for the PMU.
124. The coordination between different stakeholder groups, public – private – academia – civil society, varies from project to project, but is not very strong. In most cases it is a small to medium size NGO or CSO that is implementing the project, where the largest organisations have an established network, while the smallest (especially those recently established) are nearly on their own. It is high interest in exchange of experiences between the grantees, something that so far has been carried out only through online events.

#### **(v) Operational issues**

125. Most local stakeholders interviewed could not pinpoint serious issues that negatively influenced the Project implementation, and they are highly satisfied with the support received. The only issues mentioned was the slow start of the programme and the first projects, as well as some difficulties with reporting, where they consider quarterly reports as being too often. It was a problem with lack of understanding especially among the smallest and newest groups about of what it means to work with project planning and reporting. They had therefore difficulties with the formats in the beginning, while the more experienced groups had no such problems. All local stakeholders interviewed consider that the newly updated reporting format is a great step forward because is easy to understand and facilitates their reporting.
126. Most of the operational challenges of ISGAP during the first project cohort have to do with the weaknesses of the local stakeholders. It concerns problems of implementing innovative projects in poor rural areas, in the mid of the COVID-19 pandemic. These problems are both technical and administrative, and involves also issues of external risk such as extreme climate events and public sector interference or change of rules.

### **4.2.6 Risks and safeguards**

#### **(i) Risk management**

127. The ISGAP design took a high risk by asking local NGOs/CSOs what is the best way to handle climate change adaptation, making it locally led, and believe it could be scalable. The treatment of risk during project design is fully commented on in chapter 4.1.2, while monitoring of risk is commented in 4.2.4. Risk is reviewed in each project report, PIR, but not directly related to the risks mentioned in PRODOC (see table 8). The reporting both on programme level and project level focus rather on the safeguards that are established in the ESMG, which is a new exercise for the grantees. It is a pity that the grantees in this way consider mainly the potential negative social and environmental impact (which normally is low) and forget about project risk management (*mitigate risks towards the project*), which could have improved effectiveness of their project management.



## **(ii) Monitoring and use of social and environmental safeguards**

128. Screening of criteria for safeguards at project level has been introduced to the grantees, and a Grievances Report Mechanism (GRM) was also developed and utilized. An exercise was conducted where grantees provided their views and inputs, resulting in the inclusion of a simplified safeguards matrix that the grantees should report on quarterly.

### **4.3 Project results and impacts**

#### **4.3.1 Progress towards objective and expected outcomes**

##### **(i) Progress towards the project objective**

129. The MTR found that the programme despite low disbursement rate had a good progress towards the ISGAP objective to support the development and diffusion of innovative adaptation practices, tools, and technologies.

130. The degree of innovation is however a discussion point. It seems like the PMU, Grant Selection Committee and Board have been so eager in selecting the 'perfect projects' which automatically means low risk, and thereby indirectly have reduced the degree of innovation. Other important criteria such as CCA, impact, scalability and overall quality had much weight in the selection. Innovation is understood by the project as something (method, technology, etc.) that is new in the context of the country, and according to this definition most or maybe all projects in cohort 1 are innovative. However, there is a bias in favour of "soft processes" and less support to new technologies. This could have to do with both risk and budget restrictions. The overall progress towards the programme objective is not estimated due to lack of indicators.

##### **(ii) Progress towards outcomes**

131. The MTR found a high degree of progress towards the outcomes, and since the outcome targets on average nearly 50% it is on the level of what should be expected at mid-term. There are however large differences between the different sub outcomes, where gender mainstreaming and publication of lessons learned are clear weaknesses (see 4.3.3 Effectiveness). The overall progress towards the outcomes is estimated to 48.5%.

#### **4.3.2 Relevance**

132. COP25 in Madrid 2019 launched ISGAP, which is one of several programmes under AF's Innovation Facility with the goal to strengthen innovation of adaptation practices in developing countries. ISGAP was designed to support the SDGs number 1, 2, 8, and 13 (see 3.3). The AF Programme document considers that ISGAP would have the following Contributing Outcomes:

- **Outcome 1 Avance Poverty Eradication in all its Forms and Dimensions**

Output 1.4.1 Solutions scaled up for sustainable management of natural resources, including sustainable commodities and green and inclusive value chains

- **Outcome 3 Strengthen Resilience to Shocks and Crises**

Output 3.4.1 Innovative nature-based and gender-responsive solutions developed, financed and applied for sustainable recovery.

133. The programme concept originated from an interaction between different global and regional stakeholders, that were actively involved in the ISGAP design, but no national or local organizations were involved. The relevance was however strengthened by the total exchange of the partners UNDP, AF and EU. The programme is relevant for all UNDP's three focus areas of sustainable development, democratic governance and peace building, and climate and disaster resilience.

134. Despite being a global programme, its relevance is especially on local level, where the projects have the potential to improve the local stakeholders' climate change adaptation and climate resilience. They know their own context and priorities, such as how climate change has impacted on their agricultural production, biodiversity, soil and water resources, but they often don't have the means to do anything about it. They might have good ideas but are often stuck in a poverty trap where it is only possible to think about income and food for the next day.
135. In this situation, ISGAP supports implementation of some of the good ideas with financing and technical support. This could be highly relevant for each individual grantee, but replication and scaling-up of the most successful projects would be necessary to have any relevance on national, regional or global level. It is necessary to recognize that there are many reach institutes and firms with multi-million dollar budgets that are currently working on how to adapt to climate change. It should therefore not be expected that ISGAP would find completely new solutions, but it would be part of a process to introduce innovative solutions within the context that each grantee is operating, and thereby have an impact for them and their environment.
136. All the local grantees interviewed commented positively about ISGAP's way of working, and how the support from the programme has strengthened their implementation of projects. Three projects were studied in more detail: (i) Combining income and forest protection in southern Brazil; (ii) Horticultural Entrepreneurship in Adaptive Livelihood for Post-Pandemic Economic Resilience, India; and (iii) Aquaculture production in Micronesia. What these grantees have in common is satisfaction with the support received, but also a recognition that it is not enough, and they have to continue applying for additional funding sources. All three highlighted the risks that their activities confront, especially extreme climate events and changes in the political framework conditions.
137. The Paris Agreement Art. 10 Par. 5 highlighted that *accelerating, encouraging and enabling innovation is critical for an effective, long-term global response to climate change and promoting economic growth and sustainable development*. In line with this challenge, ISGAP established a new route of development financing directly from global to local level, to support development, diffusion and evidence building of innovative adaptation practices, tools, and technologies in developing countries. It addresses two of the main challenges facing climate change adaptation: (i) Limited innovative solutions to increase adaptive capacity of vulnerable communities; and (ii) Lack of private sector participation/investment in adaptation.

### **4.3.3 Relevance**

#### **(i) Compliance with outcomes and outputs**

138. The programme did not have any defined end targets on output level, but the indicator targets for the outcomes are considered as high level outputs. The average compliance with end targets at mid term was estimated to 50% for outcome 1, 70.5% for outcome 2 and 25% for outcome 3.
139. It was difficult to make an assessment of effectiveness because the programme does not report exactly according to the original results framework. Note that no % progress is calculated in the table with more than 100% since strong progress in one outcome or output does not make up for slow progress in another.
140. Outcome 1.1: (i) The end target said at least 5 out of 10, but since the indicator is the number of innovative adaptation practices, tools and technologies funded; (ii) there is a gender target, but no indicator. The target was still included with baseline 0 since it is related to the same projects.
141. Outcome 1.2: (i) The end target said at least 5 out of 10 projects, which was replaced by 50%. It is however important to have clear that the target refers to findings and evidence, not to projects,

which makes it different from the target for outcome 1.1; (ii) there is a gender target, but no indicator. The target was still included with baseline 0 since it is related to the same projects.

142.Outcome 2: (i) The indicator says “number of grantees...”, but the end target “all grantees...” is not a number, and can therefore not be compared with the indicator. The result was however reviewed against the target. (ii) The indicator says “number of grantees...”, but the end target “at least half...” is not a number, and can therefore not be compared with the indicator. The result was however reviewed against the target.

143.Outcome 3: The original target consisted of different issues that were divided into three targets, to be able to compare results with the targets, but it is still difficult to compare with the reported results.

144.Outcome 1-3 Overall average: The average was first calculated within the outcome and then as an average of the three outcomes. The **48.5% compliance with end targets** at mid-term is highly positive, especially considering COVID-19 and the many challenges of recruitment.

Table 11. Adjusted ISGAP results framework with results and % of end targets

Item	Indicator	Baseline	End targets	Result	% of target
<b>Outcome 1.1:</b> Development of innovative adaptation practices, tools and technologies encouraged and accelerated	Number of innovative adaptation practices, tools and technologies funded	0	At least 5 projects with innovative adaptation practices, tools and technologies	22	>100
		0	At least 50% with women led organisations or organisations that largely benefit women customers	<50% but no info	0
<b>Outcome 1.2:</b> Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to assess scaling up	Quantity and quality of key findings on effective, efficient adaptation practices, products and technologies generated	0	Findings and evidences of effective and efficient adaptation practices, products, and technologies from at least 50% of funded projects	22	>100
		0	At least 50% of the projects with women led organisations or organisations that largely benefit women customers	<50% but no info	0
<b>Outcome 1 compliance with end target</b>					<b>50.0</b>
<b>Outcome 2:</b> Grantees' innovation and business development capacity enhanced	Number of grantees that successfully complete innovation and business development milestones and grant disbursement according to agreed grantees' performance target	0	All grantees complete grant disbursement against performance target within 24 months after grant agreement signed	19	86.4
	Number of grantees that receive additional support/funding to scale up and/or replication	0	At least half of the grantees received additional support/funding to scale up and/or replication	5-7	54.6
<b>Outcome 2 compliance with end target</b>					<b>70.5</b>
<b>Outcome 3:</b> Lessons learned are codified, documented, and disseminated/shared leading to adoption or replication of project ideas by others	Citation and/or adoption of shared lessons learned and codified knowledge	0	4 annual web-based publications/ blogs and lessons learned	1	25
		0	4 technical briefs/blogs on specific topics	2	50
		0	1 brief with lesson learned on innovative ways to address gender inequality in climate change adaptation	0	0
<b>Outcome 3 compliance with end target</b>					<b>25.0</b>
<b>Outcomes 1-3</b>		0			<b>48.5</b>

### (ii) Comments to progress on each outcome

145.**Outcome 1** aimed to (i) encourage and accelerate the development of innovative adaptation practices, tools and technologies; and (ii) generate evidence of effective, efficient adaptation practices, products and technologies, as a basis for implementing entities and for scaling up through other funds. The end target of at least five projects with innovative adaptation practices,

tools and technologies was passed already with the first cohort of 22 projects, which could be an indication that the target was put too low. On the other hand, the project reports on another end target that all the funded projects have findings and evidences of effective and efficient adaptation practices, products, and technologies. This seems to be too high, even though the programme probably complies with at least 50% of the funded projects. It should be commented that a % target in this case is not well suited, because with a higher number of projects there is at least a theoretical possibility that the percentage could drop below 50%.

146. The two gender indicators mention that the programme aim to achieve at least 50% of the support to women led organisations, or organisations that largely benefit women customers, referring to the two other targets of outcome 1 mentioned above. Despite that the programme has gender marker 2 - Make a significant contribution to gender equality and/or the empowerment of women and girls, ISGAP has done very little in this area. Women participation is however one of the selection criteria, and there might be some interesting local projects with gender perspective. However, the programme is far from complying with the gender target for outcome 1. One reason might be that the PMU has no gender specialist (see also 5.1.6 Gender equality and Women empowerment).

147. **Outcome 2** aimed to enhance the grantees' innovation and business development capacity, where 19 of the 22 grantees completed grant disbursement against performance target within two years from when the grant agreement was signed. The other outcome target at the end of the programme says that at least half of the grantees received *additional* support/funding to scale up and/or for replication. The key word here is 'additional', which is understood as additional to the support all the other grantees receive from the programme. So far this is only technical assistance, but it is expected that also additional funding would be given to the grantees with most potential for scaling up their project activities.

148. **Outcome 3** aimed to codify, document and disseminate/share lessons learned, with the purpose of leading to adoption or replication of project ideas by others. This is the weakest component so far, which partly could be understood as a result of that the programme must first have the lessons learned before documenting and disseminate them. It is however also a result of the long time it has taken to recruit and contract PMU's Communications Specialist, who is just now on the way to initiate the work.

149. Regarding the **quality of project outcomes**, the majority of stakeholders interviewed gave highly positive comments. It should however be considered that so far the comments are mostly based on experience with activities, since the final outcomes are not finished.

#### **4.3.4 Efficiency**

150. Despite the delays of ISGAP from the start, once the programme was initiated it has been implemented quite efficiently and with probably good cost-effectiveness, but this cannot be confirmed before knowing effectibeness of the local projects. The budget is low compared to the number of potential beneficiaries, especially considering that it is distributed to so many stakeholder organizations all over the world, which makes it impossible to inspect all the projects in the field. If this is a cost-effective way of working (considering outcomes, impact and sustainability) it is not possible to confirm while the first individual projects are only half-way. It is also an open question if it would be cost-efficient with a much higher number of grantees, because the capacity of the PMU might be over-saturated.

151. The programme faced also many challenges, due to the start-up during the peak of COVID-19, as well as the slow HR procedures in UNDP for staff recruitment, where it could take up to a year to get a person contracted. Additionally, the PMU staff and consultants that gradually came onboard needed time to familiarize themselves with the programme and its procedures, which demanded

flexibility and adaptive management. Another challenge encountered was the use of the new UNDP contracting system QUANTUM that had start-up problems when it was initiated.

152. The PMU is distributed in several countries, first of all in the UNDP regional hubs in Bangkok and Istanbul, but also long-term consultants in Asia, Africa, Europe and the US. This arrangement makes team building difficult, and considered to not be the most efficient. Some issues involve the time difference that makes it difficult to agree on team meetings, and holidays on different days in the different countries, but most of all that it is not the same to work side-by-side as over the Internet.
153. Along with the mentioned institutional and operational issues, the COVID-19 pandemic from 2020 had a significant impact on the start of the programme. Some trainings and other events had to be suspended or postponed in certain periods, and carried out online to a higher degree than originally expected. The budget savings of not carrying out in-person events improved the cost-efficiency, but on the other hand could give less impact on the participants' learning.
154. Regarding financial efficiency, an argument for establishing the ISGAP model was that most barriers are upstream, with only a small proportion of development finance and public resources reach local level. An even smaller share is channelled to community organisations or small businesses with marginalised groups. This should however been reviewed in light of the fact that ISGAP funding is still discounted by a standard fee to UNDP (8.5% on AF funds and 7% on EU funds), which are not being used to finance PMU or programme oversight staff. For that reason only approx. 50% of the total funds reach the local beneficiaries. It can of course be argued that the grantees also benefit from programme advice and technical support, but ISGAP's staff is mainly for administrative functions, not technical.
155. The ISGAP model with the beneficiaries distributed all over the world makes it less efficient to give local support, so the advice to grantees is necessarily given online. This works well for some training and support on processes, especially on the programme's system, but it is much less efficient to give technical support to resolve issues that have to do with the content of the projects that are funded. This issue is even worse considering that PMU consists mainly of administrative staff. It is therefore recommended to include in PMU a high level technical coordinator/advisor, who could both give online support to partners and grantees, and visit some of the grantees when it is justified.
156. Despite an interest in selecting NGOs/CSOs with good project management capacity, the PMU has experienced that there are great differences between the grantees. On average the grantees from Latin America has shown to be the strongest, while the SIDS have mostly the weakest management capacity, and require most support.
157. The programme had first a reporting form in Word format, which followed the UNDP reporting format for LVGA but was difficult to understand for many of the grantees, and approximately half of them had difficulty filling it out. The PMU also recognize that the format was not good, because it did not give them the opportunity to aggregate information at programme level. This improved a lot with a new reporting format in Excel tailored to the projects. The PMU took the job to fill in the information for each (in cells that were blocked for changes), and the grantees only had to fill in the rest, mostly figures. As an additional measure to improve efficiency, online training was held, and the quality of reporting is now greatly improved.
158. A special feature of ISGAP is that the direct funding from global level to NGOs and CSOs all over the world, and direct relation with the grantees, has until now been carried out without the knowledge or active involvement from all the UNDP country offices where there is a LVG issued. This was in part, because during the initial years of the programme the PMU was still under

conformation. During the design of the project, the Regional Bureaus were involved, but not the Country Offices, as the countries where the grants were going to be issued were unknown at that moment. The ISGAP programme has nevertheless set aside an annual budget which the Country Offices could use to recover costs for the support that they could provide to local grantees.

159. The Reviewer considers that it involves a risk that most UNDP offices are not informed, which is an issue that must be resolved. It is however also an efficiency issue, because ISGAP staff is not able to make field inspection to the grantees, and UNDP has SGP staff and other staff members in the country that are making field inspections, maybe even in neighbour communities. Finally, it is a lost opportunity for scaling up the local grantees' innovative technologies and methods through larger UNDP programmes under implementation or current design process.

160. To amend the mentioned issue, ISGAP should as soon as possible inform all country offices where the programme is financing local grantees. Then it should initiate the use of funds already allocated for local support, by paying cost-recovery to UNDP country offices when needed. It should additionally be explored if a part of the administration fee that is going to UNDP could finance staff time in the country offices.

#### **4.3.5 Sustainability**

##### **(i) Financial**

161. ISGAP has piloted a new model for direct financing from global to local level. There is a very high interest among local NGOs and CSOs for the financing that ISGAP provides, which was confirmed by a high number of applicants and expressed in interviews with local stakeholders in three regions. The amount provided - small projects up to USD 60,000 or larger projects up to USD 125,000) seems to be adequate for the small organisations. It is not so significant for the medium size NGOs, but on the other hand they are more used to combine financing from different sources, and are constantly applying when there are calls for proposals. The financing provided by ISGAP should however not be expected to be sufficient to reach financial sustainability. It is therefore positive that the programme is planning to give an additional amount (to be defined) to grantees considered to have the greatest potential, so that they can scale up the activities supported by ISGAP. This would for the moment only cover part of the first cohort, because it would not be enough implementation time for the same for the second cohort without a programme extension.

162. A challenge for financing of a new phase is that UNDP for the moment is not accredited with the AF, and the EU funding came in as an additional support to the original AF-UNDP programme. The possibility of UNDP accreditation with the AF should be resolved as soon as possible, but it is not the only option. Financing of a second phase should involve a combination of funding agencies, and not depend necessarily on the AF.

163. More important is however the potential for replication and scaling up through funding from other projects and programmes in the same countries. For this to happen, ISGAP must come out with what the local projects are doing, and especially their innovations. Financing could come from any program, including government funded, but the most logical alternative are, as mentioned in 5.1.2, the UNDP programmes under implementation or design process.

164. A positive element that could give expectations of financial sustainability is the potential of involving the private sector. First of all, it is the private sector elements managed by the same stakeholders. ISGAP, and UNDP in general, has been reluctant to finance the private sector, while other UN organizations such as UNCDF and IFAD are doing it. ISGAP is however funding NGOs that are working on private sector development, which could e.g. go to strengthening of community-based firms. When a grantee is able to develop a successful technology or method under local conditions, there are also opportunities for co-funding from firms interested in the market

potential. This depends on the relations each NGO has, and should be considered carefully to avoid that external parties don't register patents that would limit the opportunities for the NGO.

165. In the continuation of the ISGAP programme it is highly important to give emphasis on financial sustainability, and support a selection of the grantees with market analysis and review of further financing alternatives, including equity and credits. These analyses could involve, when relevant, elements such as carbon financing, payment for environmental services, and income from niche markets for socially certified products (e.g. Fairtrade, Rainforest Alliance, FairWild, Fair for Life).

### **(ii) Socio-political**

166. All the grantees interviewed mentioned the impact of socio-political framework conditions, e.g. how changes in the government's support and taxation (or not) could greatly affect the activities. In Micronesia the grantee had achieved ISGAP's support for algae farming, where the produce was expected to be exported. However, changes in the government's priorities has made it impossible to export, so now the algae ponds are overgrown, and the same is the case for the ponds managed by the public sector. A quick turnaround from the local grantee made them start up with multi-layer aquaculture, which is a highly innovative approach that copies and strengthens ecological processes where the different species feed on each other. It is however also high risk, since it is a completely new system for the local NGO group of only four persons.

167. Another example of the impact of government policy is for the the grantee in the Atlantic forest of Brazil. The previous Brazilian government had a policy that supported opening new land through deforestation and was largely confronted with the indigenous peoples' interests. The new government that came to power in 2022 could change that picture, and facilitate the work of NGOs.

168. These examples of what is going on right now also gives perspectives for future sustainability. The socio-political framework conditions, including the government's policy and support to local initiatives is fundamental for survival and growth of organizations such as those financed through ISGAP.

### **(iii) Institutional**

169. The programme has clearly strengthened the participating organizations, first of all through funding, and also through active supervision, advisory and training of the grantees. The local stakeholders are highly positive of the support received and would like more. There are however clear differences, because the PMU doesn't hear so much from some of the grantees, which are the institutionally strongest and report on the results based on the funding received, without need for additional support. There are however more that request additional support, and would be satisfied to know ISGAP's plans for new capacity building events, as well as a match-making event planned to be held in Malaysia in June 2023. The budget limitations and wide distribution of grantees will of course limit the number of in-person events that can be held, and most training will continue to be online.

170. There is also interest for capacity building through exchange of experiences between grantees, both thematically and geographically. The Indian NGO South Asian Forum for Environment (SAFE) has promoted its model HEAL for adaptation through horticultural entrepreneurship to its partners in Bangladesh, Sri Lanka, Nepal and the Philippines. Under a visit to Sri Lanka they requested the support from UNDP, and the national country office was involved, but that is an exception since UNDP representations are normally not involved. An interview with the country office did however reveal that it could be a potential for scaling up SAFE's activities through UNDP programmes in Sri Lanka.

171. Some grantees expressed that "we thought we were the only ones with our types of problems, but we discovered there are others in the same situation". The Reviewer considers cross-exchange

of experiences (South-South Cooperation) to be an area that the programme should work more on, because it improves institutional knowledge and sustainability. It should be a combination of online exchanges, as the programme is already doing, exchange travels between “neighboring” grantees (in the same country or region) and larger events with many organisations that can present their experiences. Networking and exchange of lessons learned should however not be limited to be between the ISGAP grantees, because more important would be that they take active part in the national events and networks that are happening without ISGAP involvement.

172. The programme has to less degree led to improved governance, because that was not ISGAP’s goal and then also not included in the activities. It is however expected that the exchange of experiences through the programme would provide an incentive through examples and lessons learned, especially for the weakest organizations.

#### **(iv) Environmental**

173. The scope of the programme is to support development and diffusion of innovative adaptation practices, tools, and technologies. For these technologies to be environmentally sustainable, they must avoid or mitigate their potential adverse impacts in the long term. The programme has given much emphasis on safeguards, but that is not enough for sustainability. It is important that the impacts of local projects are understood as far beyond the programme duration. For instance, the consumption of water for one type of production could be feasible today, but not in the future with higher temperatures. The Indian NGO SAFE has been working on adaptation measures under extreme heat conditions, and knows this challenge. Sometimes it could mean to stop the activities during the warmest periods to assure that they can go on the rest of the year.

174. Similar challenges could be relevant also for other adaptation measures. For instance, to reduce soil erosion, fast growing species that give good land cover are often used. But for environmental sustainability the fast-growing Invasive Alien Species (IAS) should be avoided. The ISGAP programme should assure that these types of issues are reflected in the programmes’ safeguards.

#### **(v) Overall likelihood of sustainability**

175. All small grant proposals are required to describe a clear pathway on how the proposed projects will be technically, financially, and operationally sustainable. Evidence of project equity, existing funding, and forthcoming funding would be demonstrated by the project developers. Fund raising strategy and relevant partners should also be included. Project risk assessment and management and the expected sustainability of project outcomes are parts of the programme’s screening criteria. There is a pass/no pass criteria to be considered as local NGO (international NGOs or their representations are not funded).

176. Based on the information provided so far, it is difficult to make any predictions about the expected sustainability of programme outcomes. On the one hand, there are expectations that the programme would continue in a second phase, but this potential continued financial support is saying more about programme relevance and demand for financing than on sustainability. On the other hand, many of the projects that are being funded by ISGAP show positive and interesting results, that could be scaled up through financing from the public or private sector. It is expected that the programme would help designing an ‘exit strategy’ for each grantee, but more than an exit strategy this should be a sustainability strategy.

177. Sustainability in the real meaning of the word means that the initiatives in the future would be able to continue without external funding, basically through their income from sale of goods and services, which would mean a more private sector type of organisation (e.g. cooperatives) or joint ventures with the private sector. To be able to conclude about these perspectives, it is



recommended that the terminal review of the programme should make an analysis of all grantees or a sufficiently large sample to provide statistically relevant results.

#### **4.3.6 Gender equality and women's empowerment**

178. Gender is a relevant matter in development, as established by the SDGs of the Agenda 2030. Climate change is affecting men and women differently, depending on their roles in the household and community. It has often a disproportionately greater effect on women, since women are on average poorer and with lower level of education than men, and rural women usually depend more on natural resources for their livelihoods. Even though these factors make women more vulnerable to the effects of climate change, they are often excluded from political and household decision-making processes. The inclusion of women in climate change adaptation innovation is therefore essential both because they are especially vulnerable and because they can be valuable contributors to adaptation work. The contribution of women led NGOs/CSOs and women focused community group was expected to be given high priority in the programme.
179. The ISGAP programme adheres to the Gender Policy of UNDP and the Adaptation Fund, and should since 2022 also align its work with UNDP's Gender Equality Strategy. The programme has been rated with a Gender Marker 2, which means that it is expected to see significant impact in Gender Equality and Women Empowerment. The projects that are being funded should therefore ensure that women and men are provided with an equal opportunity to build resilience, address their vulnerabilities and increase their capability to adapt to climate change.
180. Gender is a factor in all stage of screening and selection process of the ISGAP grantees. Therefore, all grant proposals have provided a gender baseline and planned action that the applicant will enhance for empowerment of women through the project. The proposals that are presented to the programme should illustrate how gender equality is imbedded in the design, consultation, implementation, monitoring, reporting, and evaluation.
181. Despite these positive intentions, gender mainstreaming has so far been a weakness of the programme. As mentioned under Effectiveness, the programme has the end target that at least 50% of the supported initiatives should be women led organisations, or organisations that largely benefit women customers, and it is also a target to prepare a brief with lessons learned on innovative ways to address gender inequality in climate change adaptation. The progress reports for 2021 and 2022 do however not provide any information on what the programme has done on gender issues and what has been achieved so far.
182. The revised reporting format addresses this previous weakness of insufficient gender analysis. It includes a new section called "Gender mainstreaming" that follows the ISGAP project gender plan and the AF Gender and Social Inclusion (GSI) guidelines. The Reviewer found that many of the project designs would benefit women, and that gender issues have been included in training sessions on safeguards.

#### **4.3.7 Cross-cutting issues**

183. This section covers only issues that were not specifically mentioned in other parts of the report.
184. **Human rights:** ISGAP could be considered to have a *rights-based approach*, even though it is not the main focus. The reason for this is that it helps reducing the vulnerability of small NGOs and CSOs, that are often representing the poorest stakeholder groups in society, including traditionally discriminated groups based on ethnicity, religion, gender, and geographic situation.
185. **Poverty alleviation:** The programme is improving economic development and provide new sources of employment to poor remote communities, and is therefore one factor in the struggle to reduce poverty.

186.**Improved resilience through disaster risk management:** The progress reports do not consider this aspect. However, many of the investments in adaptation projects would have a positive effect on reducing vulnerability to disasters, especially extreme climate events.

#### ***4.3.8 UNDP additionality***

187.This programme is an example of an initiative where the international organizations AF, EU and UNDP agreed that it is important to come out with more direct funding for adaptation innovation by local stakeholders. The results achieved would not have been possible without the funding from the AF and EU. On the other hand, UNDP as an AF executing agency (EA) has provided project management experience accumulated e.g. from implementation of the GEF-UNDP small grants programme. The ISGAP programme is however a new model, where UNDP's additionality such as presence in the countries is not relevant, and the programme is building very little on UNDP's technical capacity, because the PMU has mainly administrative staff plus consultants. UNDP's additionality however also lies in the strong programme oversight.

188.If a new project phase is expected to involve AF funding, it would be a problem that UNDP is currently not accredited for new AF financing, but negotiations about this topic is continuing.

#### ***4.3.9 Catalytic/replication effect***

189.The ISGAP programme has not yet much catalytic effect due to the the small initiatives situated far from each other, and for having been implemented on the ground for a very short period. It should be remembered that most innovation comes through a long series of trial and error, so if any of the grantees already have innovations ready for replication it would be greatly surprising.

190.The first grantees got funding for 18 months, and a second funding for a part of them with the strongest catalytic potential could greatly increase the possibility of success. This would partly accelerate what they are already doing and partly consolidate the results, which is necessary for the potential of replication and scaling-up.

191.With the purpose of impact it is not a good idea to distribute the second round of funds equally between those that are already being funded, but instead it should go to those with the best potential. Selection of these projects would need a new set of criteria. It would also require technical assistance, studies and match-making, especially with the private sector. This is in itself an argument for a second phase of the programme.

#### ***4.3.10 Progress towards Impact***

192.As previously mentioned, the Programme's Results Framework is not developed on higher level – from Outcomes to Impact, and the TOC analysis also does not determine the expected impact. It is therefore not possible to evaluate if the “expected impact has been achieved”. On the other hand, the Impact of ISGAP would to large extent be the combined impact of the projects that are being financed, which are only in their first part of implementation. It would be very interesting if the Terminal Evaluation could review the impact of a large sample of these projects.

## 5 MAIN FINDINGS, CONCLUSIONS, RECOMMENDATIONS AND LESSONS

### 5.1 Overall finding

193. *The main finding of the Mid-term Review is that the programme despite a long initiation process and the challenge of COVID-19 was able to comply with nearly 50% of the expected end results, which is a good level of compliance at mid-term.*

### 5.2 Conclusions

194. The conclusions of the MTR can be summarized in the following way:

195. The programme is implemented by UNDP under the Direct Implementation Modality (DIM). There is no official implementing partner, but strong partnership with the funding agencies AF and EU, as well as with other partners that participate in the execution through separate agreements. The programme management structure is highly decentralized, with the staff members established in Bangkok and Istanbul, and long-term consultants operating from multiple countries that are providing technical support to the PMU..

196. The programme design is strong in the sense that it covers only one topic which is implemented through three clearly defined components, and is very specific in what it wants to achieve. On the other hand, considering UNDP's extensive experience with the GEF small-grants programme and projects financed by the Adaptation Fund, it should have been expected to have a stronger methodology and tools established already before approval to reduce initial delays.

197. The programme was approved with a budget of USD 5 million from the AF and EUR 10 million from the EU (approx. 11.9 million USD). The EUR has later reduced its value in USD, which gives a total available budget of USD 14.9 million after fee to UNDP. The cumulative disbursements as of Dec. 31, 2022 were USD 2,333,575, and the delivery rate at the same moment was only 13.8%.

198. Adaptive programme management was necessary right from the beginning, because it coincided with the first year of COVID-19, which slowed down the start-up process and limited international travel. This accelerated the use of international network building through the Internet and online meetings with programme partners.

199. There have been two ISGAP calls for NGOs and CSOs, and the first one of 22 organisation is under implementation. The interviews with grantees confirmed that they are very satisfied with the programme, including support from PMU, project consultants and partners.

200. The programme has so far reached a compliance with the expected outcomes of 48.5%, which is satisfactory at mid-term. There has however been variable effectiveness between the three components.

201. The end target of Outcome 1 that *at least five projects should have innovative adaptation practices, tools and technologies* was passed already with the first cohort of 22 projects, which could be an indication that the target was put too low. Another end target that *all* the funded projects should have evidence of effective and efficient adaptation seems to be too high, but cannot be confirmed yet. The targets to achieve at least 50% of the support to women led organisations, or organisations that largely benefit women customers is far from being reached.

202. Outcome 2 should enhance the grantees' innovation and business development capacity, where 19 of the 22 grantees completed grant disbursement against performance target within two years. So far grantees are given funding and advisory, and it is expected that the grantees with most potential for scaling up their project activities will receive additional funding for this.

203. Outcome 3 on documentation and dissemination is the weakest component so far, partly because the PMU's Communications Specialist was only recently contracted.

204. Despite the delays of ISGAP from the start, once the programme was initiated it has been implemented quite efficiently. If the programme's structure and approach is cost-effective it is not possible to confirm while the first individual projects are only half-way. It is also an open question if it would be cost-efficient with a much higher number of grantees, because the capacity of the PMU might be over-saturated.
205. Regarding financial efficiency, an argument for establishing the ISGAP model was that most barriers are upstream, with only a small proportion of development finance and public resources reach local level. For ISGAP approx. 50% of the total funds reach the local NGOs/CSOs directly. Additionally, the PMU provides them technical and administrative assistance. Two technical consultants also provide support to the grantees.
206. The PMU has improved the M&E reporting format to improve efficiency and obtain better quality of information, which could better document the effectiveness and efficiency of the innovative solutions.
207. A special feature of ISGAP is that the direct funding from global level to local NGOs and CSOs is often carried out without the knowledge of the UNDP country offices, since no fee goes to the country office and the local UNDP staff is not involved. This does not seem cost-efficient because it is both a lost opportunity for local support and a risk.
208. It is too early to expect financial sustainability, but it is positive that the programme is planning to give additional funds to grantees considered to have the greatest potential to consolidate and scale up the innovation. Co-funding from public and private sources should be part of this development. The Government's impact on the sustainability is also through its influence on the framework conditions of the grantees.
209. The ISGAP programme has Gender Marker 2, but gender mainstreaming has so far been a weakness. Gender is however a factor in the screening and selection process, and the grantees are required to provide a gender baseline and planned action to enhance empowerment of women.
210. Cross-cutting issues: The programme can be considered to have a rights-based approach, even though it is not the main focus. Poverty alleviation: The programme would potentially improve economic development and provided new sources of employment to poor remote communities, and could therefore reducing poverty. Improved resilience through disaster risk management: many of the investments in adaptation projects would have a positive effect on reducing the vulnerability to disasters, especially extreme climate events.

### **5.3 Lessons learned**

211. There are a lot of lessons learned on local project level, which should be summarized and distributed to all grantees. The following lessons are however general for the overall programme:
- An innovation programme with new structure for global implementation should not be expected to finalize and comply with all its objectives after only one project phase. The programme architecture does not justify implementation during a short period.
  - It is not efficient to have the PMU staff and long-term consultants distributed in many different countries. This goes against the goals of team building and efficient teamwork, since online connection does not completely replace the advantages of working together in the same place.
  - To avoid strong delays in initiation of project activities, it is important that as much as possible of the project planning is finalized during the design phase, including a detailed results framework with reliable baselines, operative regulations, and a work plan with deadlines for each step.

- An early PMU recruitment process is key for an efficient project management, and could therefore start before first disbursement, with detailed TOR and announcement. In cases where UNDP is not able to recruit the key project staff in time, alternatives could be sought such as the use of UNOPS services or recruiting the PMU staff members as consultants.
- Project co-financing is a key factor for impact and sustainability even when it is not considered in the project budget. Such financing could result in success of the local project innovations and their replication or scaling-up, with strong collaboration with the private sector.

#### 5.4 Recommendations

212. Since this is a Mid-term review for a programme implemented only by UNDP through DIM, the recommendations are directed to the programme/PMU under UNDP's responsibility, and to the ISGAP Board. It would be PMU's decision whether a recommendation is considered sufficiently important to be elevated to the Board. *It is recommended that the programme should:*

- 1) Focus on the highest risks: (i) Project implementation delay; and (ii) Environmental, social and governance risk not managed, triggering risk events.
- 2) Include a high level technical coordinator/advisor in the PMU, who could both give online support to partners and grantees, and visit some of the grantees when it is justified. The support should focus on the grantees with weakest management capacity, especially in LDCs and SIDS. Since this is quite urgent, the person should be contracted as a consultant.
- 3) Additionally, continue to work with programme partners that are especially focused on the regions and countries with weakest management capacity, such as "Pacific Climate Ready".
- 4) Inform as soon as possible all UNDP offices in the countries where the programme is financing local grantees. From that moment initiate the use of funds already allocated for local support, by paying cost-recovery to the country offices for local support. It should also be explored if a part of the fee that is going to UNDP could finance cost items in the country offices.
- 5) The programme should focus more on projects to recover ancestral and indigenous technology and methods, which is an area where rural NGOs/CSOs could have an advantage in front of larger institutions.
- 6) The programme should also focus more on adaptation projects that strengthen the daily life of women, not only through the selection process but also through technical advisory.
- 7) The programme should focus more on South-South cooperation and exchange of experiences, to be carried out through a combination of online events and exchanges on regional or sub-regional level, which could be carried out close to where a grantee is situated, thereby facilitating field demonstrations.
- 8) The programme should request a no-cost extension of at least one year.
- 9) ISGAP should develop a database on lessons learned where it is possible to seek information by keywords and categories, e.g. climate – water – soil – biodiversity – gender – indigenous etc, based on the new project reporting template.
- 10) The terminal review should make an analysis of all grantees or a sufficiently large sample to provide statistically relevant information about the perspectives for sustainability, based on e.g. sale of goods and services or joint ventures with the private sector.
- 11) There should be a second phase, and its preparation should start as soon as possible, based on the MTR report and review of the results and lessons learned from the local projects.

- 12) During the design of a second phase, the programme should move beyond grants, and raise capital through co-financing and blend with equity and loans. Potential grants to grantees that received funding during the first phase should be performance-based.
- 13) Scaling up of innovations from the ISGAP programme should also be done during the design of new and larger programmes, both for UNDP, EU and other development partners.
- 14) UNDP should bring in other multi-lateral and bilateral donors, to make a second phase a large and impactful programme.

Table 12. MTR Ratings &amp; Achievement Summary Table for AF-EU-UNDP ISGAP

<b>Measure</b>	<b>MTR Rating*</b>	<b>Achievement Description</b>
<b>Project Strategy</b>	N/A	
<b>Progress Towards Results</b>	Objective Achievement Rating: 5	The programme has supported development of innovative adaptation practices, tools, and technologies, but no project is finalised so far and PMU's Communications Specialist was only recently contracted, so there is little diffusion of successful innovations.
	Outcome 1 Achievement Rating: 5	Outcome 1 should accelerate innovative adaptation practices, tools and technologies. The number of such projects has been far above the programme end target, but has not achieved that at least 50% of these should be women led organisations or organisations that largely benefit women customers.
	Outcome 2 Achievement Rating: 6	The programme is already above 50% of both the end targets that: (i) all grantees complete grant disbursement against performance target within 24 months after grant agreement is signed; and (ii) at least half of the grantees received additional support/funding to scale up and/or replicate.
	Outcome 3 Achievement Rating: 3	This outcome should cover that lessons learned are codified, documented, and disseminated/shared, leading to adoption or replication of project ideas by others. It has very low progress, which is partly due to only recent recruitment of the PMU staff member in charge (see Objectie Achievement above).
<b>Project Implementation &amp; Adaptive Management</b>	Rating: 5	Despite a late implementation start due to COVID-19 and slow recruitment process, the PMU with support from UNDP oversight staff has been able to use adaptive management to achieve most of the targets expected at mid-term
<b>Sustainability</b>	Rating: 3	It is a bit to early to define expected sustainability when the first projects funded are under implementation, but so far it looks positive. The programme should focus on sustainability both on programme level and project level to be able to scale up the innovations, including through a second phase.

\*The criteria for Progress towards results and Project implementation & adaptive management are rated from 6 (Highly Satisfactory) down to 1 (Highly Unsatisfactory), while Sustainability is rated from 4 (Likely) down to 1 (Unlikely).



*Empowered lives.  
Resilient nations.*

## **ANNEXES**

### **ANNEX 1. TERMS OF REFERENCE (without annexes)**

#### **Terms of Reference**

#### **Midterm Review (MTR) Consultant**

**Project Title: AF-EU-UNDP Innovation Small Grant Aggregator Platform (ISGAP)**

**Consultancy Type: Individual Contract**

**Duty Station: Home-Based**

**Duration: 1<sup>st</sup> March 2023 through 2<sup>nd</sup> June 2023 (3 months)**

**Expected start date: 1<sup>st</sup> March 2023**

## 1. BACKGROUND

### 1.A.1.1.1 Project Description

This is the Terms of Reference for the Midterm Review (MTR) of the project titled AF-EU-UNDP Innovation Small Grant Aggregator Platform (ISGAP) (PIMS#6266) implemented through the United Nations Development Programme (UNDP), which is to be undertaken in 2023. The project started on the March 19, 2020 and is in its third year of implementation. This ToR sets out the expectations for this MTR. The MTR process must follow the guidance outlined in the document *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* (<https://intranet.undp.org/unit/office/eo/SitePages/gef-evaluation-guidelines.aspx>).

The AF-EU-UNDP Innovation Small Grant Aggregator Platform (from now on, ISGAP) aims to support the development, diffusion and evidence building of innovative adaptation practices, tools, and technologies in developing countries. ISGAP counts with the financial contributions from the AF (5 million USD) - anchored under their Adaptation Fund Climate Innovation Accelerator (AFCIA), and the EU (EUR 10 million). In March 2022, US \$ 2.2 million in climate action grants for 22 local innovators across 19 countries were issued, and in early 2023, additional US \$ 2 million will be given to local innovators through 20-25 new climate action grants.

ISGAP is designed to meet this objective through an effective and efficient backbone management architecture and network of global best practitioners to (i) competitively source and screen innovative adaptation project ideas; (ii) grant funding and administering to bring selected project ideas to fruition; (iii) provision of customized technical and business development capacity building, incubation, and acceleration support; and (iv) knowledge management and sharing and result-based monitoring and evaluation. Leveraging this infrastructure, ISGAP aims to achieve the project objective through the following complementary outcomes:

1. Development of innovative adaptation practices, tools and technologies promoted and accelerated. Evidence of effective, efficient adaptation practices, products and technologies generated as a basis for implementing entities and other funds to enable scaling up.
2. Timely and efficient completion of business milestones demonstrated through additional investment and/or support capitalization for scaling-up.
3. Lessons learned codified, documented, and disseminated leading to adoption or replication of project introduced innovations.

The Implementing Partner for this project is UNDP. The project is executed by UNDP under the UNDP Direct Implementation Modality (DIM) in line with UNDP's Programme and Operations Policies and Procedures and Bangkok Regional Hub Standard Operating Procedures. The Nature, Climate and Energy Team (NCE) of Bureau for Policy and Programme Support (BPPS) providing oversight services: at the global level, the Project Technical Advisor (PTA) of Climate Change Adaptation provides strategic and policy advice to the project. The Regional Technical Specialist (RTS) -Climate Finance and Investment located in Bangkok is providing day to day oversight to the PMU, also located in Bangkok. The Project Management Unit (PMU) is established between the Bangkok Regional Hub (BRH) and the Istanbul Regional Hub (IRH). The Programme Manager and the Project Associate are located in Bangkok, while the Procurement Analyst and the Finance and Reporting Analyst are located in Istanbul. International Consultants that support the PMU globally (e.g. Finance and Investments, Communications and Knowledge Management, Safeguards and Gender, Website Administrator, Monitoring and Evaluation (M&E)) are home-based. Other technical experts and advisors are recruited and hired, as per project needs and evolution. The project oversight function performed by the PTA and the RTS is separated with the project execution function performed by the PMU.



## **2. SCOPE OF WORK, RESPONSIBILITIES AND DESCRIPTION OF THE PROPOSED WORK**

### **MTR Purpose**

The MTR will assess progress towards the achievement of the project objectives and outcomes as specified in the Project Document, and assess early signs of project success or failure with the goal of identifying the necessary changes to be made in order to set the project on-track to achieve its intended results. The MTR will also review the project's strategy and its risks to sustainability.

The MTR will assess progress towards the achievement of the project objectives and outcomes as specified in the project document and results framework. The MTR also assesses at a minimum:

- Initial outputs and results of the project
- Quality of implementation, including financial management
- Assumptions made during the preparation stage, particularly objectives and agreed indicators, against current conditions
- Factors affecting the achievement of objectives
- M&E systems and their implementation.

Further, the MTR will assess the impact of COVID-19 on the implementation of the project and make recommendations on necessary changes in order for the project to still continue to make reasonable level of implementation progress even with the COVID-19 pandemic situation.

### **DUTIES AND RESPONSIBILITIES**

#### **I.A.1.1.2D. MTR Approach & Methodology**

The MTR report must provide evidence-based information that is credible, reliable and useful.

The MTR consultant will review all relevant sources of information including documents prepared during the preparation phase (i.e. AF concept, AF proposal and grant agreement, EU proposal and grant agreement, UNDP Initiation Plan, UNDP Social and Environmental Screening Procedure/SESP), the project document, project reports including annual Project Performance Reports (PPRs), project budget revisions, legal documents, and any other materials that the team considers useful for this evidence-based review.

The MTR consultant is expected to follow a collaborative and participatory approach<sup>2</sup> ensuring close engagement with the PMU, the RTS, the PTA, strategic ISGAP partners, ISGAP grantees, direct beneficiaries, and other key stakeholders.

Engagement of stakeholders is vital to a successful MTR.<sup>3</sup> Stakeholder involvement should include interviews with stakeholders who have project responsibilities, including but not limited to the donors (AF and EU), ISGAP grantees, responsible parties, vendors, senior officials and task team, key experts and consultants in the subject area, the Technical Advisory Committee, the ISGAP Project Board, key project partners (e.g. universities, knowledge management organizations, investment and finance brokering organizations), and other key stakeholders (internal or external to UNDP).

A preliminary list (not exhaustive) of stakeholders to consult would be:

- PTA – Climate Change Adaptation

<sup>2</sup> For ideas on innovative and participatory Monitoring and Evaluation strategies and techniques, see [UNDP Discussion Paper: Innovations in Monitoring & Evaluating Results](#), 05 Nov 2013.

<sup>3</sup> For more stakeholder engagement in the M&E process, see the [UNDP Handbook on Planning, Monitoring and Evaluating for Development Results](#), Chapter 3, pg. 93.

- RTS - Climate Finance and Investment
- Chair and co-chair from the ISGAP Project Board (EU and UNDP, Regional Technical Lead from Asia and the Pacific).
- 5 organizations/UNDP-Units that confirm the Technical Advisory Committee
- 2 additional organizations from the Innovation Adaptation Marketplace (if not covered already by the previous bullet).
- PMU staff (Project Manager, Project Associate, Procurement Analyst, Finance and Reporting Analyst).
- PMU consultants (Finance and Investments, Communications and Knowledge Management, Safeguards and Gender, Website Administrator, Monitoring and Evaluation (M&E)).
- UNDP internal staff from MPSU and NCE's Procurement Unit
- The two Donors (AF and EU)
- 2-3 grantees per region (LAC, Africa and Asia-Pacific), from the first ISGAP cohort
- If possible, 2-3 direct beneficiaries per region (LAC, Africa and Asia-Pacific)
- 2 vendors that have signed contracts with UNDP
- 2 organizations that have signed Responsible Party Agreements with UNDP
- 2 UNDP Country Offices that have worked with ISGAP

The specific design and methodology for the MTR should emerge from consultations between the MTR consultant and the above-mentioned parties regarding what is appropriate and feasible for meeting the MTR purpose and objectives and answering the evaluation questions, given limitations of budget, time and data. The MTR consultant must, however, use gender-responsive methodologies and tools and ensure that gender equality and women's empowerment, as well as other cross-cutting issues and SDGs are incorporated into the MTR report.

The final methodological approach including interview schedule and data to be used in the MTR must be clearly outlined in the Inception Report and be fully discussed and agreed between UNDP and the MTR consultant.

The final MTR report must describe the full MTR approach taken and the rationale for the approach making explicit the underlying assumptions, challenges, strengths and weaknesses about the methods and approach of the review.

#### **I.A.1.1.3 E. Detailed Scope of the MTR**

The MTR consultant will assess the following four categories of project progress. See the Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects for extended descriptions. Following internal UNDP rules and regulations, even though the ISGAP Project is financed by the AF and the EU, the guidelines and formats that should be used for the development of this MTR are the ones used for the GEF-Financed Projects. Hence, the GEF guidelines and formats will be mentioned throughout these TORs for further guidance.

### **1. Project Strategy**

#### Project Design:

- Review the problem addressed by the project and the underlying assumptions. Review the effect of any incorrect assumptions or changes to the context to achieving the project results as outlined in the Project Document.
- Review the relevance of the project strategy and assess whether it provides the most effective route towards expected/intended results. Were lessons from other relevant projects properly incorporated into the project design?
- Review how the project addresses country priorities. Review country ownership. Was the project concept in line with the national sector development priorities and plans of the country (or of participating countries in the case of multi-country projects)?

- Review decision-making processes: were perspectives of those who would be affected by project decisions, those who could affect the outcomes, and those who could contribute information or other resources to the process, considered during the project design process?
- Review the extent to which relevant gender issues were raised in the project design. See Annex 9 of *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for further guidelines.
  - Were relevant gender issues (e.g. the impact of the project on gender equality in the programme country, involvement of women's groups, engaging women in project activities) raised in the Project Document?
- If there are major areas of concern, recommend areas for improvement.

#### Results Framework/Logframe:

- Undertake a critical analysis of the project's logframe indicators and targets, assess how "SMART" the midterm and end-of-project targets are (Specific, Measurable, Attainable, Relevant, Time-bound), and suggest specific amendments/revisions to the targets and indicators as necessary.
- Are the project's objectives and outcomes or components clear, practical, and feasible within its timeframe?
- Examine if progress so far has led to, or could in the future catalyse beneficial development effects (i.e. income generation, gender equality and women's empowerment, improved governance etc.) that should be included in the project results framework and monitored on an annual basis.
- Review if the project monitoring system considers broader development and gender aspects.
- Develop and recommend SMART 'development' indicators, including sex-disaggregated indicators and indicators that capture development benefits.

## **2. Progress Towards Results**

- Review the logframe indicators against progress made towards the end-of-project targets; populate the Progress Towards the Results Matrix, as described in the *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects*; colour code progress in a "traffic light system" based on the level of progress achieved; assign a rating on progress for the project objective and each outcome; make recommendations from the areas marked as "not on target to be achieved" (red).
- Compare and analyse the GEF Tracking Tool/Core Indicators at the Baseline with the one completed right before the Midterm Review.
- Identify remaining barriers to achieving the project objective in the remainder of the project.
- By reviewing the aspects of the project that have already been successful, identify ways in which the project can further expand these benefits.

## **3. Project Implementation and Adaptive Management**

#### Management Arrangements

- Review overall effectiveness of project management as outlined in the Project Document. Have changes been made and are they effective? Are responsibilities and reporting lines clear? Is decision-making transparent and undertaken in a timely manner? Recommend areas for improvement.
- Review the quality of execution of the Executing Agency/Implementing Partner (in this case, UNDP) and recommend areas for improvement.
- Review the quality of support provided by UNDP and recommend areas for improvement.
- Do the Executing Agency/Implementing Partner (UNDP) and other partners have the capacity to deliver benefits to or involve women? If yes, how?
- What is the gender balance of project staff? What steps have been taken to ensure gender balance in project staff?

- What is the gender balance of the ISGAP Project Board? What steps have been taken to ensure gender balance in the ISGAP Project Board?
- What is the gender balance of the Technical Advisory Committee? What steps have been taken to ensure gender balance in the Technical Advisory Committee?

#### Work Planning

- Review any delays in project start-up and implementation, identify the causes and examine if they have been resolved.
- Are work-planning processes results-based? If not, suggest ways to re-orientate work planning to focus on results.
- Examine the use of the project's results framework/ logframe as a management tool and review any changes made to it since project start.

#### Finance and co-finance

- Consider the financial management of the project, with specific reference to the cost-effectiveness of interventions.
- Review the changes to fund allocations as a result of budget revisions and assess the appropriateness and relevance of such revisions.
- Does the project have the appropriate financial controls, including reporting and planning, that allow management to make informed decisions regarding the budget and allow for timely flow of funds?
- Informed by the co-financing monitoring table to be filled out by the ISGAP PMU and project team, provide commentary on co-financing: is co-financing being used strategically to help the objectives of the project? Is the Project Team meeting with all co-financing partners regularly in order to align financing priorities and annual work plans?

Sources of Co-financing	Name of Co-financer	Type of Co-financing	Co-financing amount confirmed at approval (US\$)	Actual Amount Contributed at stage of Midterm Review (US\$)	Actual % of Expected Amount
		<b>TOTAL</b>			

- Include separate Co-Financing templates (filled out by the ISGAP PMU and project team) which categorizes co-financing amounts by source as 'investment mobilized' or 'recurrent expenditures' (This template will be annexed as a separate file).

#### Project-level monitoring and evaluation systems

- Review the monitoring tools currently being used: Do they provide the necessary information? Do they involve key partners? Are they aligned or mainstreamed with national systems? Do they use existing information? Are they efficient? Are they cost-effective? Are additional tools required? How could they be made more participatory and inclusive?
- Examine the financial management of the project monitoring and evaluation budget. Are sufficient resources being allocated to monitoring and evaluation? Are these resources being allocated effectively?
- Review the extent to which relevant gender issues were incorporated in monitoring systems. See Annex 9 of *Guidance For Conducting Midterm Reviews of UNDP-Supported, GEF-Financed Projects* for further guidelines.

### Stakeholder Engagement

- Project management: Has the project developed and leveraged the necessary and appropriate partnerships with direct and tangential stakeholders?
- Participation and public awareness: To what extent has stakeholder involvement and public awareness contributed to the progress towards achievement of project objectives?
- Participation and country-driven processes: Do local and national government stakeholders support the objectives of the project?
- How does the project engage women and girls? Is the project likely to have the same positive and/or negative effects on women and men, girls and boys? Identify, if possible, legal, cultural, or religious constraints on women's participation in the project. What can the project do to enhance its gender benefits?

### Project Risk Management and Social and Environmental Standards (Safeguards)

- Validate the risks identified at the project level (and its management measures); are any revisions needed to proactively manage risks throughout project implementation?
- Validate the safeguard risks identified at the project level and at the grantee level (and its management measures); are any revisions needed? At the grantee level a few safeguard matrixes could be reviewed as a sample.
- Summarize and assess the revisions made since Approval (if any) to:
  - The project's overall safeguards risk categorization.
  - The identified types of risks<sup>4</sup> (in the SESP).
  - The individual risk ratings (in the SESP).
- Describe and assess progress made in the implementation of the project's social and environmental management measures as outlined in the SESP submitted at Approval (and prepared during implementation, if any), including any revisions to those measures. Such management measures might include Environmental and Social Management Plans (ESMPs) or other management plans, though can also include aspects of a project's design; refer to Question 6 in the SESP template for a summary of the identified management measures.

A given project should be assessed against the version of UNDP's safeguards policy that was in effect at the time of the project's approval.

### Reporting

- Assess how adaptive management changes have been reported by the project management and shared with the ISGAP Project Board.
- Assess how well the Project Team and partners undertake and fulfil reporting requirements (i.e. annual reports for the donors (AF and EU), grantees quarterly reporting for UNDP, reporting from responsible parties, etc). Specify how shortfalls in reporting are being addressed by the different stakeholders involved.
- Assess how lessons derived from the adaptive management process have been documented, shared with key partners and internalized by partners.

### Communications & Knowledge Management

- Review project communication with stakeholders: Is communication regular and effective? Are there key stakeholders left out of communication? Are there feedback mechanisms when communication is received? Does this communication with stakeholders contribute to their awareness of project outcomes and activities and investment in the sustainability of project results?
- Review project outreach and public communication: Are proper means of communication established or being established to express the project progress and intended impact to the public (is there a web presence, for example? Or did the project implement appropriate outreach and public awareness campaigns?)

- For reporting purposes, write one half-page paragraph that summarizes the project's progress towards results in terms of contribution to sustainable development benefits, as well as global environmental benefits.
- List knowledge activities/products developed (based on knowledge management approach).

#### 4. Sustainability

- Validate whether the risks identified in the Project Document, Annual Project Review/PIRs and the ATLAS Risk Register are the most important and whether the risk ratings applied are appropriate and up to date. If not, explain why.
- In addition, assess the following risks to sustainability:

##### Financial risks to sustainability:

- What is the likelihood of financial and economic resources not being available once the GEF assistance ends (consider potential resources can be from multiple sources, such as the public and private sectors, income generating activities, and other funding that will be adequate financial resources for sustaining project's outcomes)?

##### Socio-economic risks to sustainability:

- Are there any social or political risks that may jeopardize sustainability of project outcomes? What is the risk that the level of stakeholder ownership (including ownership by governments and other key stakeholders) will be insufficient to allow for the project outcomes/benefits to be sustained? Do the various key stakeholders see that it is in their interest that the project benefits continue to flow? Is there sufficient public / stakeholder awareness in support of the long-term objectives of the project? Are lessons learned being documented by the Project Team on a continual basis and shared/ transferred to appropriate parties who could learn from the project and potentially replicate and/or scale it in the future?

##### Institutional Framework and Governance risks to sustainability:

- Do the legal frameworks, policies, governance structures and processes pose risks that may jeopardize sustenance of project benefits? While assessing this parameter, also consider if the required systems/ mechanisms for accountability, transparency, and technical knowledge transfer are in place.

##### Environmental risks to sustainability:

- Are there any environmental risks that may jeopardize sustenance of project outcomes?

#### Conclusions & Recommendations

The MTR consultant will include a section in the MTR report for evidence-based **conclusions**, in light of the findings.

Additionally, the MTR consultant is expected to make **recommendations** to the Project Team. Recommendations should be succinct suggestions for critical intervention that are specific, measurable, achievable, and relevant. A recommendation table should be put in the report's executive summary. The MTR consultant should make no more than 15 recommendations total.

#### Ratings

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<sup>4</sup> Risks are to be labeled with both the UNDP SES Principles and Standards, and the GEF's "types of risks and potential impacts": Climate Change and Disaster; Disadvantaged or Vulnerable Individuals or Groups; Disability Inclusion; Adverse Gender-Related impact, including Gender-based Violence and Sexual Exploitation; Biodiversity Conservation and the Sustainable Management of Living Natural Resources; Restrictions on Land Use and Involuntary Resettlement; Indigenous Peoples; Cultural Heritage; Resource Efficiency and Pollution Prevention; Labor and Working Conditions; Community Health, Safety and Security.

The MTR consultant will include its ratings of the project's results and brief descriptions of the associated achievements in a MTR Ratings & Achievement Summary Table in the Executive Summary of the MTR report. See the TOR Annexes for the Rating Table and ratings scales.

### 3. Expected Outputs and deliverables

The MTR consultant shall prepare and submit:

Deliverable	Description	Timing	Responsibilities
MTR Inception Report	MTR consultant clarifies objectives and methods of Midterm Review	No later than 1.5 weeks before the MTR's kick of call (with the Project Manager and the Regional Technical Specialist).	MTR consultant submits the product to the ISGAP PMU and RTS
1 <sup>st</sup> Draft MTR Report and Presentation with Initial Findings	MTR consultant submits a 1st draft full report with annexes (using guidelines on content outlined in the Annexes of these TORs). Initial Findings are presented to the PMU (in the form of a PPT presentation).	6 weeks after the MTR Inception Report has been received and approved.	MTR consultant submits 1 <sup>st</sup> Draft MTR Report and delivers a presentation with Initial Findings to the ISGAP PMU and RTS
PMU and RTS revision on 1 <sup>st</sup> Draft Report	PMU and RTS provides an initial set of feedback/comments on the 1 <sup>st</sup> Draft MTR Report, to be addressed by the MTR Consultant. The objective is to come up with a 2 <sup>nd</sup> Draft MTR Report that can be shared with relevant stakeholders.	PMU provides feedback 1.5 week after 1 <sup>st</sup> Draft MTR Report is received.	PMU provides feedback to the MTR Consultant, about 1 <sup>st</sup> Draft MTR Report
MTR Consultant produced 2 <sup>nd</sup> Draft Report	MTR Consultant incorporates revisions/comments from PMU and RTS, in the 2 <sup>nd</sup> Draft MTR Report which will be shared with relevant stakeholders.	1.5 week after the reception of the feedback on the 1 <sup>st</sup> Draft MTR Report	MTR consultant submits 2 <sup>nd</sup> Draft MTR Report to the ISGAP PMU and RTS
2 <sup>nd</sup> Draft MTR Report is shared with relevant stakeholders for revision and provision of feedback	MTR consultant receives, reviews and incorporates feedback in the Final Version of the MTR report	2 weeks after the 2 <sup>nd</sup> Draft MTR Report is shared with the relevant stakeholders	PMU provides feedback received from stakeholders to the MTR Consultant, about 2 <sup>nd</sup> Draft MTR Report
Final Report*	MTR consultant submits the revised report with annexed and completed Audit Trail detailing how all received comments have (and have not) been addressed in the final MTR report.	Within 1.5 week of receiving UNDP comments on draft MTR Report.	MTR consultant submits the product to the ISGAP PMU and RTS

\*The final MTR report must be in English.

## ANNEX 2. PERSONS CONSULTED

Name	Unit/title
<b>PMU</b>	
Ms. Monica Borrero	Programme Manager
Mr Oscar Mwangi	Finance & Reporting Analyst
Mr. Paul Mwangi	Procurement Analyst
Mr. Azhar Amir	M&E Consultant
Mr. Clint Barlett	Finance & Investment Consultant
Ms. Elisabeth Gomes	Safeguards Consultant
Ms. Ruchi Kumar	Website Administrator
Ms. Kate Smith	CC Unit communication specialist
<b>UNDP - ISGAP OVERSIGHT</b>	
Ms. Srilata Kammila	Head, Climate Change Adaptation
Mr. Charles Yu	Technical Specialist, Climate Finance & Investment
<b>ISGAP Board</b>	
Ms. Akiko Yamamoto	Chair (UNDP)
Mr. Nicola Di Pietrantonio	Co-chair (EU)
<b>Adaptation Fund (AF)</b>	
Ms. Saliha Dobardzic	Team Leader, Programming & Innovation
<b>UNDP MPSU &amp; Procurement</b>	
Ms. Anda Gerdena	Programme & Management Specialist (HQ)
Mr. Alfonso Buxens	NCE-EF Implementation Support Team
<b>Technical Advisory Committee</b>	
Ms. Rissa Edoe	UNDP-GEF SGP Programme Officer
Ms. Ruoxiao Song	UNDP BRH Youth Empowerment Team - Partnerships & Innovative Financing
Mr. Jesper Hornberg	Global Resilience Partnership (GRP) Head Innovation
Mr. Neil Walmsley	Climate-KIC Head of International Markets
Mr. Lee Baker	USAID Climate Ready Chief of Party, contracted by DT Global
<b>UNDP Representations</b>	
Ms. Sureka Perera	UNDP Country Office Sri Lanka
Mr. Karma Lodey Raptan	UNDP Regional Technical Specialist, Adaptation (Bangkok Office)
<b>Grantee projects, 1<sup>st</sup> cohort</b>	
Mr. André Gonçalves	Coordinator, Combining income and forest protection in Southern Brazil
Ms. Ana Meirelles	Combining income and forest protection in Southern Brazil
Mr. Gabriel Mwirelles	Technician, Combining income and forest protection in Southern Brazil
Mr. Mark Johnny	Coordinator, Sokehs Menin Ketengensed, Micronesia
Dr Mr. Dipayan Dey	Director of NGO SAFE, Horticultural Entrepreneurship in Adaptive Livelihood for Post-Pandemic Economic Resilience (HEAL), India
Ms. Amrita Chatterjee	HEAL project, India
<b>RPA Partners</b>	
Ms. Shuchi Vora	The Global Resilience Partnership (GRP) Project Officer
Mr. Jesper Hornberg	GRP
Ms. Adiba Bintey Kamal	ICCCAD Project Coordinator
Mr. Elyas Tampubolon	Project Manager, Asian Venture Philanthropy Network (AVPN)
Ms. Komal Sahu	Sustainable Finance Advisor, Asian Venture Philanthropy Network (AVPN)
<b>Deloitte Australia - Service provider</b>	
Mr. Steven Xu	Project Director



### **ANNEX 3. DOCUMENTS AND ONLINE SOURCES REVIEWED**

- Adaptation Fund, 2014. Methodologies for reporting adaptation fund core impact indicators.
- Adaptation Fund & UNDP, 2019. Agreement “Adaptation Fund-UNDP Innovation Small Grant aggregator platform (ISGAP)”.
- Adaptation Fund & UNDP, 2020. MIE Aggregator Programme Proposal.
- Adaptation Fund & UNDP, 2020. Project Document, Adaptation Fund - UNDP Innovation Small Grant Aggregator Platform (ISGAP) (with all annexes)
- Adaptation Fund. Adaptation Fund Small Grants for Innovations FAQ
- Adaptation Fund, 2021. Annex 4 to OPG: Gender Policy and Gender Action Plan.
- AF-EU-UNDP, 2022. ISGAP. Asia-Pacific Roundtable Report.
- AF-EU-UNDP, 2023. ISGAP. Latin America Roundtable Report.
- AF-EU-UNDP, 2023. Innovation Small Grant Aggregator Platform. Environmental, Social and Governance considerations for the Low Value Grant Agreements. Training, 1<sup>st</sup> cohort.
- AF-EU-UNDP, 2023. Innovation Small Grant Aggregator Platform - Grant Selection Criteria. 2<sup>nd</sup> cohort of ISGAP Grantees.
- AF-EU-UNDP. Terms of Reference for Grant Selection Committee. Adaptation fund project. ISGAP programme.
- AF-EU-UNDP. Terms of Reference for Project Board. Adaptation fund project. ISGAP programme.
- AF-EU-UNDP. Terms of Reference for Project Board Observer. Adaptation fund project. ISGAP programme.
- AF-EU-UNDP. Terms of Reference for Project Advisory Group. Adaptation fund project. ISGAP programme.
- AF-EU-UNDP. Innovation Small Grant Aggregator Platform. Grant Selection Criteria.
- AF-UNDP. Presentation of first round funding pre-finalists.
- AF-UNDP. Grand Selection Committee Nomination.
- European Commission, 2020. EU contribution to the Adaptation Fund, channeled through the Innovation Small Grant Aggregator Platform programme (with annexes).
- European Commission, Directorate General for International Cooperation and Development, 2020. Signature of the contract “EU contribution to the Adaptation Fund through the Innovation Small Grant Aggregator Platform programme”.
- IPCC, 2022. Mitigation of Climate Change.
- ISGAP, 2021. Annual Report First year with annexes
- ISGAP, 2022. Annual Report Second year with annexes
- ISGAP, 2022. Project Performance review report.
- ISGAP 2022. Safeguards matrixes for 22 grantees.
- ISGAP, 2022. Projects Mapping
- ISGAP, 2023. 2<sup>nd</sup> Round Shortlist.
- ISGAP, 2023. General work plan 2023.

ISGAP, 2023. Procurement and HR planning 2023.

ISGAP, 2023. Application 70 Longlist.

UNDP, 2023. ISGAP 2<sup>nd</sup> Round Recommendations

UNDP, 2023 Additional analysis and recommendations.

ISGAP 2023. Gomez. Environmental Social and Governance Management Guidelines for the Innovation Small Grant Aggregator Platform Project.

ISGAP. First, second and third Board Meetings (agenda, presentations and other documents)

ISGAP. Detailed application format.

ISGAP. Adaptation Fund Climate Innovation Accelerator, AFCIA AF-EU-UNDP Innovation Small Grant Aggregator Platform - Grant funding window final proposal application.

ISGAP. Standard Operating Procedure.

ISGAP. Project Governance.

Richmond, M., Meattle, C., Micale, V., Oliver, P. & Padmanabhi, R. 2020. A Snapshot of Global Adaptation Investment and Tracking Methods.

UNDP, 2020. Financial Identification

UNDP, 2021. UNDP Strategic Plan 2022-2025.

UNDP, 2021. Signed LVGVs (22 docs)

UNDP, 2022. Adaptation Fund Climate Innovation Accelerator.

UNDP, 2022. Gender Equality Strategy 2022-2025.

<https://www.adaptation-undp.org/smallgrantaggregator>

<https://www.undrr.org/publication/sendai-framework-disaster-risk-reduction-2015-2030>

<https://sdgs.un.org/goals>

<https://unfccc.int/>

<https://www.thegef.org/what-we-do/topics/special-climate-change-fund-sccf>

<https://unfccc.int/process-and-meetings/bodies/funds-and-financial-entities/least-developed-countries-ldc-fund>

<https://www.greenclimate.fund/>

[www.undp.org](http://www.undp.org)

<https://erc.undp.org>

<https://www.adaptation-fund.org>

[www.thegef.org](http://www.thegef.org)

[www.commission.europa.eu/](http://www.commission.europa.eu/)

## ANNEX 4. MID-TERM REVIEW MATRIX

Evaluation Questions	Indicators	Sources	Data Collection Method
<b><i>Evaluation Criteria: Relevance</i></b>			
<ul style="list-style-type: none"> <li>Does the project's objective align with the priorities of the local government and local communities?</li> </ul>	<ul style="list-style-type: none"> <li>Level of coherence between project objective and stated priorities of local stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Local stakeholders</li> <li>Document review of local development strategies, environmental policies, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Interviews</li> <li>Desk review</li> </ul>
<ul style="list-style-type: none"> <li>Does the project's objective fit within the national environment and development priorities?</li> </ul>	<ul style="list-style-type: none"> <li>Level of coherence between project objective and national policy priorities and strategies, as stated in official documents</li> </ul>	<ul style="list-style-type: none"> <li>National policy documents</li> </ul>	<ul style="list-style-type: none"> <li>Desk review</li> <li>Interviews</li> </ul>
<ul style="list-style-type: none"> <li>Did the project concept originate from local or national stakeholders, and/or were relevant stakeholders sufficiently involved in project development?</li> </ul>	<ul style="list-style-type: none"> <li>Level of involvement of local and national stakeholders in project origination and development (number of meetings held, project development processes incorporating stakeholder input, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>Project staff</li> <li>Local and national stakeholders</li> <li>Project documents</li> </ul>	<ul style="list-style-type: none"> <li>Interviews</li> <li>Desk review</li> </ul>
<ul style="list-style-type: none"> <li>Does the project objective fit GEF strategic priorities?</li> </ul>	<ul style="list-style-type: none"> <li>Level of coherence between project objective and GEF strategic priorities (including alignment of relevant focal area indicators)</li> </ul>	<ul style="list-style-type: none"> <li>GEF strategic priority documents for the period when project was approved</li> <li>Current GEF strategic priority documents</li> </ul>	<ul style="list-style-type: none"> <li>Desk review</li> </ul>
<ul style="list-style-type: none"> <li>Was the project linked with and in-line with UNDP priorities and strategies for the country?</li> </ul>	<ul style="list-style-type: none"> <li>Level of coherence between project objective/design and UNDP strategies, UNDAF, CPD</li> </ul>	<ul style="list-style-type: none"> <li>UNDP strategic priority documents</li> </ul>	<ul style="list-style-type: none"> <li>Desk review</li> </ul>
<ul style="list-style-type: none"> <li>Does the project's objective support implementation of the UNFCCC?</li> </ul>	<ul style="list-style-type: none"> <li>Linkages between project objective and elements of the UNFCCC and Brazil's compliance with the convention</li> </ul>	<ul style="list-style-type: none"> <li>UNFCCC website</li> <li>Brazil NDC and communications to the convention</li> </ul>	<ul style="list-style-type: none"> <li>Desk review</li> </ul>
<b><i>Evaluation Criteria: Efficiency</i></b>			
<ul style="list-style-type: none"> <li>Is the project cost-effective?</li> </ul>	<ul style="list-style-type: none"> <li>Quality and adequacy of financial management procedures (in line with UNDP, UNOPS, and national policies, legislation, and procedures)</li> <li>Financial delivery rates. expected rate</li> <li>Management costs as percentage of total costs</li> </ul>	<ul style="list-style-type: none"> <li>Project documents</li> <li>Project staff</li> </ul>	<ul style="list-style-type: none"> <li>Desk review</li> <li>Interviews with project staff</li> </ul>
<ul style="list-style-type: none"> <li>Are expenditures in line with international standards and norms?</li> </ul>	<ul style="list-style-type: none"> <li>Cost of project inputs and outputs relative to norms and standards for donor projects in Brazil</li> </ul>	<ul style="list-style-type: none"> <li>Project documents</li> <li>Project staff</li> </ul>	<ul style="list-style-type: none"> <li>Desk review</li> <li>Interview with project staff</li> </ul>

<ul style="list-style-type: none"> <li>• Is the project implementation approach efficient for delivering the planned project results?</li> </ul>	<ul style="list-style-type: none"> <li>• Adequacy of implementation structure and mechanisms for coordination and communication</li> <li>• Planned and actual level of human resources available</li> <li>• Extent and quality of engagement with relevant partners / partnerships</li> <li>• Quality and adequacy of project monitoring mechanisms (oversight bodies' input, quality and timeliness of reports, etc.)</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• National and local stakeholders</li> <li>• Project staff</li> </ul>	<ul style="list-style-type: none"> <li>• Desk review</li> <li>• Interviews with project staff</li> <li>• Interviews with national and local stakeholders</li> </ul>
<ul style="list-style-type: none"> <li>• Is the project implementation delayed? If so, has that affected cost-effectiveness?</li> </ul>	<ul style="list-style-type: none"> <li>• Project milestones in time</li> <li>• Planned results affected by delays</li> <li>• Required project adaptive management measures related to delays</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> </ul>	<ul style="list-style-type: none"> <li>• Desk review</li> <li>• Interviews with the project staff</li> </ul>
<ul style="list-style-type: none"> <li>• What is the contribution of cash and in-kind co-financing to project implementation?</li> </ul>	<ul style="list-style-type: none"> <li>• Level of cash and in-kind co-financing relative to expected level</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> </ul>	<ul style="list-style-type: none"> <li>• Desk review</li> <li>• Interviews with the project staff</li> </ul>
<ul style="list-style-type: none"> <li>• To what extent is the project leveraging additional resources?</li> </ul>	<ul style="list-style-type: none"> <li>• Amount of resources leveraged relative to project budget</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> </ul>	<ul style="list-style-type: none"> <li>• Desk review</li> <li>• Interviews with the project staff</li> </ul>
<b><i>Evaluation Criteria: Effectiveness</i></b>			
<ul style="list-style-type: none"> <li>• Are the project objectives likely to be met? To what extent are they likely to be met?</li> </ul>	<ul style="list-style-type: none"> <li>• Level of progress toward project indicator targets relative to expected level at current point of implementation</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>
<ul style="list-style-type: none"> <li>• What are the key factors contributing to project success or underachievement?</li> </ul>	<ul style="list-style-type: none"> <li>• Level of documentation of and preparation for project risks, assumptions and impact drivers</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>
<ul style="list-style-type: none"> <li>• What are the key risks and barriers that remain to achieve the project objective and generate Global Environmental Benefits?</li> </ul>	<ul style="list-style-type: none"> <li>• Presence, assessment of, and preparation for expected risks, assumptions and impact drivers</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>
<ul style="list-style-type: none"> <li>• Are the key assumptions and impact drivers relevant to the achievement of Global Environmental Benefits likely to be met?</li> </ul>	<ul style="list-style-type: none"> <li>• Actions undertaken to address key assumptions and target impact drivers</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>

<b><i>Evaluation Criteria: Results</i></b>			
<ul style="list-style-type: none"> <li>• Have the planned outputs been produced? Have they contributed to the project outcomes and objectives?</li> </ul>	<ul style="list-style-type: none"> <li>• Level of project implementation progress relative to expected level at current stage of implementation</li> <li>• Existence of logical linkages between project outputs and outcomes/impacts</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>
<ul style="list-style-type: none"> <li>• Are the anticipated outcomes likely to be achieved? Are the outcomes likely to contribute to the achievement of the project objective?</li> </ul>	<ul style="list-style-type: none"> <li>• Existence of logical linkages between project outcomes and impacts</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>
<ul style="list-style-type: none"> <li>• Are impact level results likely to be achieved? Are the likely to be at the scale sufficient to be considered Global Environmental Benefits?</li> </ul>	<ul style="list-style-type: none"> <li>• Environmental indicators</li> <li>• Level of progress through the project's Theory of Change</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>
<b><i>Evaluation Criteria: Sustainability</i></b>			
<ul style="list-style-type: none"> <li>• To what extent are project results likely to be dependent on continued financial support? What is the likelihood that any required financial resources will be available to sustain the project results once the GEF assistance ends?</li> </ul>	<ul style="list-style-type: none"> <li>• Financial requirements for maintenance of project benefits</li> <li>• Level of expected financial resources available to support maintenance of project benefits</li> <li>• Potential for additional financial resources to support maintenance of project benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>
<ul style="list-style-type: none"> <li>• Do relevant stakeholders have or are likely to achieve an adequate level of "ownership" of results, to have the interest in ensuring that project benefits are maintained?</li> </ul>	<ul style="list-style-type: none"> <li>• Level of initiative and engagement of relevant stakeholders in project activities and results</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>
<ul style="list-style-type: none"> <li>• Do relevant stakeholders have the necessary technical capacity to ensure that project benefits are maintained?</li> </ul>	<ul style="list-style-type: none"> <li>• Level of technical capacity of relevant stakeholders relative to level required to sustain project benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>
<ul style="list-style-type: none"> <li>• To what extent are the project results dependent on socio-political factors?</li> </ul>	<ul style="list-style-type: none"> <li>• Existence of socio-political risks to project benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>
<ul style="list-style-type: none"> <li>• To what extent are the project results dependent on issues relating to institutional frameworks and governance?</li> </ul>	<ul style="list-style-type: none"> <li>• Existence of institutional and governance risks to project benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>
<ul style="list-style-type: none"> <li>• Are there any environmental risks that can undermine the future flow of project impacts and Global Environmental Benefits?</li> </ul>	<ul style="list-style-type: none"> <li>• Existence of environmental risks to project benefits</li> </ul>	<ul style="list-style-type: none"> <li>• Project documents</li> <li>• Project staff</li> <li>• Project stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>• Interviews</li> <li>• Desk review</li> </ul>

**ANNEX 5. RATINGS AND ACHIEVEMENTS SUMMARY TABLE**

Monitoring & Evaluation (M&E)	Rating <sup>5</sup>
M&E design at entry	4
M&E Plan Implementation	4
Overall Quality of M&E	4
Implementation & Execution	Rating
Quality of UNDP Implementation/Oversight	5
Quality of Implementing Partner Execution	n/a
Overall quality of Implementation/Execution	5
Assessment of Outcomes	Rating
Relevance	4
Effectiveness	5
Efficiency	4
Overall Project Outcome Rating	4
Sustainability	Rating
Financial resources	3
Socio-political/economic	3
Institutional framework and governance	3
Environmental	4
Overall Likelihood of Sustainability	3

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<sup>5</sup> Outcomes, Effectiveness, Efficiency, M&E, Implementation/Oversight & Execution, Relevance are rated on a 6-point scale: 6=Highly Satisfactory (HS), 5=Satisfactory (S), 4=Moderately Satisfactory (MS), 3=Moderately Unsatisfactory (MU), 2=Unsatisfactory (U), 1=Highly Unsatisfactory (HU). Sustainability is rated on a 4-point scale: 4=Likely (L), 3=Moderately Likely (ML), 2=Moderately Unlikely (MU), 1=Unlikely (U)

## ANNEX 5. RATING SCALES

<b>Ratings for Progress Towards Results: (one rating for each outcome and for the objective)</b>		
6	Highly Satisfactory (HS)	The objective/outcome is expected to achieve or exceed all its end-of-project targets, without major shortcomings. The progress towards the objective/outcome can be presented as “good practice”.
5	Satisfactory (S)	The objective/outcome is expected to achieve most of its end-of-project targets, with only minor shortcomings.
4	Moderately Satisfactory (MS)	The objective/outcome is expected to achieve most of its end-of-project targets but with significant shortcomings.
3	Moderately Unsatisfactory (HU)	The objective/outcome is expected to achieve its end-of-project targets with major shortcomings.
2	Unsatisfactory (U)	The objective/outcome is expected not to achieve most of its end-of-project targets.
1	Highly Unsatisfactory (HU)	The objective/outcome has failed to achieve its midterm targets and is not expected to achieve any of its end-of-project targets.

<b>Ratings for Project Implementation &amp; Adaptive Management: (one overall rating)</b>		
6	Highly Satisfactory (HS)	Implementation of all seven components – management arrangements, work planning, finance and co-finance, project-level monitoring and evaluation systems, stakeholder engagement, reporting, and communications – is leading to efficient and effective project implementation and adaptive management. The project can be presented as “good practice”.
5	Satisfactory (S)	Implementation of most of the seven components is leading to efficient and effective project implementation and adaptive management except for only few that are subject to remedial action.
4	Moderately Satisfactory (MS)	Implementation of some of the seven components is leading to efficient and effective project implementation and adaptive management, with some components requiring remedial action.
3	Moderately Unsatisfactory (MU)	Implementation of some of the seven components is not leading to efficient and effective project implementation and adaptive, with most components requiring remedial action.
2	Unsatisfactory (U)	Implementation of most of the seven components is not leading to efficient and effective project implementation and adaptive management.
1	Highly Unsatisfactory (HU)	Implementation of none of the seven components is leading to efficient and effective project implementation and adaptive management.

<b>Ratings for Sustainability: (one overall rating)</b>		
4	Likely (L)	Negligible risks to sustainability, with key outcomes on track to be achieved by the project’s closure and expected to continue into the foreseeable future
3	Moderately Likely (ML)	Moderate risks, but expectations that at least some outcomes will be sustained due to the progress towards results on outcomes at the Midterm Review
2	Moderately Unlikely (MU)	Significant risk that key outcomes will not carry on after project closure, although some outputs and activities should carry on
1	Unlikely (U)	Severe risks that project outcomes as well as key outputs will not be sustained

## **ANNEX 6. SERVICE PROVIDER STATEMENT OF COMMITMENT**

**Service provision reference:**

**Object of the Contract:**

I hereby declare that I am aware and full committed to not engage in any conduct associated with sexual exploitation and abuse, discrimination or harassment, whether sexual or gender-related, as well as with physical abuse, abuse of authority or verbal abuse in the provision of the service in any work or intellectual production environment.

I declare that I am not personally or in any branches (if any), subsidiaries or affiliated entities (if any) engaged in any practice inconsistent with the criteria set forth The International Convention on the Child's Rights which sets out the enshrined principles as to the right to life, liberty, the obligations of parents, society and the state towards children and adolescents.

I further agree that any breach of any rule will constitute a serious violation and that – in addition to other legal rights and provisions available to any person or institution – this will serve as grounds for termination with the consequent extinction of any link related to service provision.

I also understand that nothing in these terms shall limit the right of UNDP to bring such a breach of the rules of conduct to the knowledge of authorities.

Name: Trond Norheim

Signature:



Title: International Consultant

ID Number: 3083229

Date: 06-03-2023



## ANNEX 7. UNEG Code of Conduct for Evaluators/Consultants<sup>6</sup>

### Evaluators/Consultants:

1. Must present information that is complete and fair in its assessment of strengths and weaknesses so that decisions or actions taken are well founded.
2. Must disclose the full set of evaluation findings along with information on their limitations and have this accessible to all affected by the evaluation with expressed legal rights to receive results.
3. Should protect the anonymity and confidentiality of individual informants. They should provide maximum notice, minimize demands on time, and respect people's right not to engage. Evaluators must respect people's right to provide information in confidence and must ensure that sensitive information cannot be traced to its source. Evaluators are not expected to evaluate individuals and must balance an evaluation of management functions with this general principle.
4. Sometimes uncover evidence of wrongdoing while conducting evaluations. Such cases must be reported discreetly to the appropriate investigative body. Evaluators should consult with other relevant oversight entities when there is any doubt about if and how issues should be reported.
5. Should be sensitive to beliefs, manners and customs and act with integrity and honesty in their relations with all stakeholders. In line with the UN Universal Declaration of Human Rights, evaluators must be sensitive to and address issues of discrimination and gender equality. They should avoid offending the dignity and self-respect of those persons with whom they come in contact in the course of the evaluation. Knowing that evaluation might negatively affect the interests of some stakeholders, evaluators should conduct the evaluation and communicate its purpose and results in a way that clearly respects the stakeholders' dignity and self-worth.
6. Are responsible for their performance and their product(s). They are responsible for the clear, accurate and fair written and/or oral presentation of study limitations, findings, and recommendations.
7. Should reflect sound accounting procedures and be prudent in using the resources of the evaluation.
8. Must ensure that independence of judgement is maintained, and that evaluation findings and recommendations are independently presented.
9. Must confirm that they have not been involved in designing, executing, or advising on the project being evaluated.

### MTR Consultant Agreement Form

Agreement to abide by the Code of Conduct for Evaluation in the UN System:

Name of Consultant: Trond Norheim

\_\_\_\_\_

Name of Consultancy Organization (where relevant):

\_\_\_\_\_

**I confirm that I have received and understood and will abide by the United Nations Code of Conduct for Evaluation.**

Signed at Tårnåsen, Norway (Place) on 06-03-2023



Signature:

<sup>6</sup> <http://www.unevaluation.org/document/detail/100>

## ANNEX 8. SIGNED MID-TERM REVIEW REPORT

June 19, 2023

A handwritten signature in blue ink, appearing to read "Trond Norheim". The signature is written in a cursive style with a large initial 'T'.

Trond Norheim

Evaluator

[trondn@dimes-global.com](mailto:trondn@dimes-global.com)

**ANNEX 9**

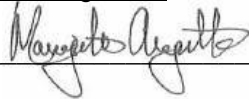
Audit trail from received comments on draft MTR report (Annexed in a separate file)

**ANNEX 10. UNDP CLEARANCE**

**Terminal Evaluation Report for AF-EU-UNDP Innovation Small Grant Aggregator Platform (ISGAP), PIMS 6266 Reviewed and Cleared By:**

**Commissioning Unit (M&E Focal Point)**

Name: Margarita Arguelles

Signature:  Date: 21 July 2023

**Regional Technical Advisor**

Name: Chongguang Yu

Signature:  Date: 21 July 2023