

Taking Adaptation to the Ground

A Small Grants Facility for Enabling Local Responses to Climate Change

Final Evaluation



Image 1: Vuhehli Climate Smart Agriculture

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Executive summary

This terminal evaluation provides a systemic and systematic evaluation of Taking Adaptation to the Ground: a small grants facility (the Project). Of particular interest was to understand the Project as a pilot to test an innovative financial mechanism of Enhanced Direct Access (EDA).

The on-the-ground component of the Project took place in two South African districts: Namakwa in the Northern Cape and Mopani in Limpopo. Both are areas highly vulnerable to climate change. The intention of the Project was to invest in assets and strengthen the adaptive capacity of local institutions so as to benefit those most vulnerable to climate change, known in this Project as ‘beneficiaries’. Money for these local projects went to twelve¹ Small Grant Recipients (SGRs) and to two Facilitating Agencies, one in each Province, whose role was to support the SGRs. A further aim of the Project was to build emerging lessons into national policies and plans so that successful elements of the SGR projects could be upscaled or replicated. Finally the project was to provide lessons for future EDA projects at the scale of global climate finance.

The evaluation team designed the evaluation methodology to illuminate what enhanced or inhibited meeting these goals at a systems level. We were interested not only in whether results were achieved, within the constraints of international climate finance, but also in who benefited or bore the cost, in what way did they benefit, and how this came about. Attention has been paid to integrating this systemic approach with a more traditional results-based approach, to ensure that the laudable achievements of the Project are recognised. The evaluation took place during various levels of lockdown due to COVID-19, which meant that site visits were not possible for the evaluation team. Instead, evidence was triangulated through additional interviews, virtual focus groups and more intensive document review.

Understanding context is a critical departure point when evaluating whether results from one project might be replicable elsewhere. Context also helps us to understand why progress was made in some areas and not in others. The evaluators argue that it is important to understand multiple scales of context, from the local context in which adaptation projects are implemented, to the global context that generates and disburses the funds for these projects. The SGR projects took place in rural areas with poor infrastructure – dirt or potholed roads, limited piped water, unreliable telecommunications – and limited services such as health-care and banks. Transactions, such as securing food or accessing cash, that take less than an hour in a resourced urban setting could take a whole day, or even days. As a result, people in these Districts are highly reliant on an informal economy, characterised by strong personal networks and relationships of trust. Money, flowing from international sources with stringent accounting procedures designed for a different kind of economy had to be mediated into this space. Compounding this, were national conditions linked inter alia to institutional arrangements and procedures that were put in place to respond to state capture.

Despite these very challenging circumstances, the SGF had a great ambition – to get resources to those most vulnerable to climate change. In this, they were largely successful. Thirteen SGRs were contracted to implement adaptation projects within three ‘investment windows’ that had

¹ Initially 13 SGRs were contracted but one project terminated before being implemented

been identified through vulnerability studies in each area. These windows were: climate smart agriculture, climate-proof settlements and climate-resilient livelihoods. Of the thirteen projects, eleven were completed as envisaged; one was reduced in scope; and the final one was curtailed altogether. The reach and positive impact on people's livelihoods and adaptive capacity through assets, learning and networks was considerable; as was the contribution to building administrative and financial capacity within local organisations. Rainwater harvesting, reservoirs, water-wise irrigation, shade-cloth, cooling sheds, solar pumps, fencing, land-contouring, livestock breeding and animal shelters were some of the assets invested in to improve food-production. Poultry, biogas-digesters, safety-at sea technology, savings clubs and access to markets complemented these efforts to reduce risk, improve livelihoods and strengthen the sustainability of the projects. This level of careful, appropriate investment has significantly improved the lives of those directly, and indirectly connected with the projects.

However, this on-the-ground success came at some cost. All organisations contributed significantly both materially and in-kind to the Project. The system of oversight, management and compliance was confusing and overwhelming, particularly for organisations lower down the financial chain. This was felt particularly in relation to financial management and disbursement, environmental and social policy (ESP) and gender compliance, obtaining licenses, reporting and contracting. Delays in project implementation (both start dates, and pauses during the project) as well as delays in receiving funds was extremely stressful for SGRs and impacted negatively on their reputation and relationships with communities in which they work. There was an assumption in the Project that local organisations needed their capacity built to engage with requirements of international climate finance; whereas there was little reciprocal recognition that organisations higher up the finance chain needed their capacity built to engage at this local level. This was evident in how local knowledge and capacity was not as visible or seen as less important than that of climate scientists or practitioners working at national and global scales.

The three-tiered governance model of the SGF helped to buffer SGRs from the risks of receiving international financing. Although the layered-design was sound it is clear that there was missing capacities amongst top tiered institutions to implement a governance and management system that could centre the realities of on-the-ground institutions. This led to a significant breakdown in trust within the management system that directly impacted on local community relationships. Relational agency, although often viewed as an intangible outcome, is vital for effective climate adaptation at all levels. A loss of relational agency is a significant a risk to local communities. A review of institutional arrangements is not enough to alleviate this risk. What is required is learning how to centre local operational realities and to build management systems that are relevant from the ground up.

Because the SGF was designed as a pilot project, the evaluators looked to what extent learning took place during the Project to allow for replication and scale up. We identified a tension between the need to show success and allowing mistakes or 'failures' to surface as learning opportunities. Although significant efforts have been made to share this pilot with oversight bodies that include national and local policy makers, it is beyond the scope of this evaluation to trace the extent to which this has or may be taken up through national strategies and local IDPs. While there are plans for documentation and sharing, this aspect has not been completed at the time of the evaluation. It is also not clear how ongoing support to the existing SGR

projects will be resourced, which is needed because the implementation time frames were too short to ensure sustainability of new practices and maintenance of assets.

This report concludes with the following recommendations which focus on what needs to be considered to strengthen the practice of enhanced direct access (EDA). They are drawn both from success factors (what worked) and from lessons that emerged. Recommendations are presented in **bold** followed by a detailed explanation. The evidence and supporting analysis is in the body of the report.

The following recommendations focus on what needs to be considered to strengthen the practice of enhanced direct access (EDA). The recommendations were developed through interviews with participants, a mirror-back workshop with PAG, as well as the project close-out reports which reflect not only project experience on the ground, but also careful reflection by project beneficiaries and SGRs. They are drawn from success factors (what worked), from lessons that emerged and from a reading of context.

These recommendations are intended to contribute to the finalisation of the methodology developed through this project.

The recommendations are grouped by level at which they can be applied. Each recommendation is presented in **bold** followed by an explanation. The evidence and supporting analysis is in the body of the report.

Design, governance and implementation of SGF at level of implementation

1. **Manage pilot projects as learning projects.** Have an approach that expects and deals with mistakes (turns them into learning opportunities), as a part of adaptation project culture. This requires a different compliance and risk management approach, that is integrated into a learning framework.
2. **Innovate with administrative and operational systems that centre local realities.** Lighten the administrative and reporting burden, align it more closely with operational realities, show flexibility as projects learn, increase top decision makers' familiarity with operational conditions on the ground through field visits, and explain contexts, for example that some formal economy requirements are not appropriate or even possible in informal economies based on trust relationships and with fewer "service providers".
3. **Support NGOs more practically.** Realise the extent of support that the NGOs in the middle of the funding chain provide in all phases of implementation. Support staff time (budget for staff time), and do not exhaust their resources by requiring them to subsidise implementation beyond what has been agreed.
4. **Give longer implementation time frames.** The development of prototypes such as shelters take time. Allow time for a process of blending engineering and local knowledge, and allow time for the demonstration effect. Changing practices, e.g.

mulching, need more than one season to be tested, understood and integrated into people's practices.

5. **Provide ongoing support to SGRs and support them to play the role of mentors in a supported replication strategy.** At the pilot sites, continue support to the current beneficiaries and SGRs until there is a clear exit strategy. The SGF should also consider funding a follow up project in which the SGRs, using and strengthening existing networks, from this project share their knowledge, invite other, similar communities to demonstration or exchange visits, to encourage the development of adaptive capacity more broadly in their districts and in South Africa. This should be a funded mandate.
6. **Recognise and integrate local and indigenous knowledge.** Resilience can only be strengthened by building on existing local and indigenous knowledge. Although this was stated as a project intention, it was insufficiently executed in some projects, and at times local and indigenous knowledge was undermined. Project design, implementation, asset design and maintenance is required to actively seek out and integrate existing indigenous and local knowledge and deepen it through respectful co-creation principles. Recognise existing knowledge, and that knowledge relevant to building adaptation capacity comes in many forms, not only scientific knowledge. It means knowledge of social processes, networks, local landscapes and local governance. Be aware of language, including technical language, and the power dynamics they set up.
7. **Develop, strengthen and support local networks.** Creating a supportive network of institutions nationally and locally should be a conscious goal. Plan and work specifically to embed climate change adaptation and resilience locally. Such work should not assume full functionality at local level, for example in provision of services, but be realistic about what conditions on the ground are. Local government Integrated Development Plans (IDPs), for example, are good planning instruments, but in practice often not democratic, inclusive, or reflective of reality. Nevertheless, they should be improved rather than replaced, and efforts should continue to embed climate change adaptation in them. Work with civil society. Work with allies in the government at middle levels.
8. **A focus on women is critical for sustainability, because women are custodians of natural resources.** A gender focus has worked easily in some projects (for example food gardens) while in other projects it has met with entrenched patriarchy (for example land ownership), but mediated through local customs to include women. The emphasis on gender rights is well intentioned, but requires long term change and careful work. In difficult circumstances these requirements should not be allowed to prejudice projects.

SGF governance within broader SA context of climate adaptation

9. **Foster sustainability practically.** Integrate projects into local and national plans of district municipalities, and the departments dealing with fisheries and agriculture, for example. Climate change impacts are set to worsen over the coming decades, and more than these projects will be needed. Functional national and subnational institutions will need to extend support to both build livelihoods resilience and protect production (e.g. rooibos, red meat and fisheries, access to water and energy). This needs a championing role, possibly from the NIE, vis-à-vis other government departments, including district and project level interventions where necessary to support projects on the ground.
10. **Pay attention to the capacity that needs to be built at all organisational levels within the project** (NIE, EE, FA, SGR), not only at the ground level. Learning how to bind different organisational contexts together is a core capacity that EDA is aiming for. An example is the insight that adaptive capacity needs to function within informal economies.
11. **Balance learning and compliance.** An overemphasis on compliance can displace learning and erode trust at all scales. There needs to be a balance and relationship between what is required for compliance and what is good enough as we learn, which was not achieved in the project.
12. **Lobby to keep climate science in South Africa at current high level, and watch for danger signs.** Climate science is of high standard, and projects were very relevant to climate impacts. However there is concern that inputs needed for modelling are incomplete, for example hydrological data, as a result of shortfalls in government monitoring.
13. **Invest more in understanding socio-economic issues and project contexts.** Climate science and adaptation funding have been strong competencies as can be seen from the very competent work in vulnerability assessments, for example. However there is a need to understand and deal with socio-economic issues as they affect both planning and operational issues, as well as dealing with factors that determine sustainability. This could take the form of more detailed, participatory contextual studies before or during the project planning phase, or stakeholder analysis (mapping) to determine which stakeholders can make or break a project. Such investment will add in developing adaptive management and responding to requests for project changes on the ground as they are needed.

14. **Use community development skills to build adaptive capacity.** All organisations involved in the SGF funding chain or similar projects should have an understanding of the realities and challenges, and the skills needed for rural and community development since this is the core activity in building resilience and adaptive capacity.
15. **Do not require climate change discourse (jargon) as a prerequisite for adaptation work.** Be prepared to use ordinary concepts that do not derive from climate change jargon. The ability to use climate change jargon is not a reliable indicator of climate adaptation understanding and should not be imposed as a requirement for participation in adaptation projects. Rather, climate specialists should learn to mediate concepts and background knowledge in terms that are understandable or familiar to communities, and can be used by them with confidence. However this does not mean that climate change knowledge should not be shared in depth.
16. **Shift decision-making authority closer to the ground as a central tenet of the EDA mechanism.** SGBs and SGRs need greater authority to make on-the-ground decisions in real time to strengthen their adaptive capacity. SGRs and locally based FAs are in a better position to assess and mitigate against risks to their livelihoods than organisations higher up the finance chain.

SGF as EDA within context of international climate financing

17. **Distinguish between formal and informal economies.** They operate in different contexts and have different requirements. Local communities need to adapt to climate change within the realities of their local economies, which are often informal. Therefore the capacity that projects build with and for them, should be appropriate to these (informal) economies. Compliance systems also need to be designed to be locally appropriate, for example tools for sole source suppliers.
18. **Safeguard communities against the international dichotomy between development and climate funding.** The separation between development and climate finance at an international level is important to ensure that new and additional finance is provided from developed to developing countries to adapt to climate change, in recognition of the principle of ‘common but differentiated responsibilities.’ However, the onus on local organisations to prove their work is ‘adaptation’ not ‘development’ is not helpful and runs counter to the intention and spirit of climate finance, which is to support those most vulnerable to climate change. At a local level adaptation and resilience is intrinsically connected to livelihood strategies, and many of the skills needed for adaptation are the same as those needed for development work. Conceptual clarity is needed at the start of the project regarding climate change linkages.

19. **Develop and use a segmented risk management perspective that does not cascade risk downwards.** Project leaders should cushion parts of the funding chain closer to the ground from the stringent demands of global climate finance. Balance the international funding risks (which are real) with the risks at other levels which are just as real, for example NGOs and community organisations losing trust (social capital and relational agency) when there are delays or expectations which are not met (e.g. of numbers of beneficiaries, which are then cut to smaller numbers), as well as the exhaustion of NGO resources which are a risk to these organisations as well as adaptive efforts as a whole. Not managing risk – different risks from the international and national level – at ground level is self-defeating as it is at ground level that adaptive capacity is ultimately built. Designing *and* implementing the Project based on this segmented risk management perspective is needed.
20. **Be realistic and supportive about legal compliance.** Requirements for licencing (such as water use and boat licences) delayed and immobilised projects due to no fault of their own. Compliance requirements should be more understanding of bureaucratic realities especially in informal economies, and this should be built into project time-frames. Where licencing is crucially important, more powerful actors in the funding chain should intervene to expedite slow licencing processes in favour of project communities.
21. **Use international climate finance to leverage adequate adaptation resources.** Adaptation needs far outstrip what is available through global climate financing, and national resources have not been directed to this goal, and/or are not adequate. This project did not make explicit links to leverage additional finances in a systemic way. Climate change adaptation needs to be a funded mandate in the budgets of all relevant government departments.
22. **Consolidate lessons learnt into publications aimed at different audiences to (1) support and (2) refine the implementation of Enhanced Direct Access.** Enhanced Direct Access is an important and innovative modality. The lessons learnt in this project are important and could contribute substantially to practice and policy in adaptation on the ground. However, current knowledge resources are scattered and difficult to follow. This should be done in collaboration with all project partners whose participation should be covered by funding. [It is also required in terms of outcome 3].
23. **Motivate for ESPs and gender considerations to become guidelines that can be adapted to local contexts, rather than conditions.** Include processes during project planning and implementation that will strengthen ESPs and improve gender dynamics. For example, gender education through partnering with experienced facilitators and popular or adult educators.

24. Conduct a review of innovative financial systems for small grants before implementing another SGF. A key question of the review is to understand better the obstacles to timely payment from AF to SGR.

Acronyms

AF	Adaptation Fund
AN	Adaptation Network
BAPA	Buenos Aires Plan of Action
CCA	Climate change adaptation
CER	Certified Emissions Reduction
CFOC	Climate Funds Oversight Committee
CLB	Concordia Landbou Boerevereniging
CLF	Coastal Livelihoods Foundation
CoP	Conference of Parties
COVID	Coronavirus disease
CSO	Civil society organisation
CT	CHoiCe Trust
DAC	Development Assistance Committee
DEA	Department of Environmental Affairs
DEFF	Department of Environment, Forestry and Fisheries
DM	District Municipality
EDA	Enhanced Direct Access
EE	Executing Entity
EMG	Environmental Monitoring Group
ESP	Environmental and social policy
FA	Facilitating Agency
GCF	Green Climate Fund
GEF-SGP	Global Environment Facility Small Grants Programme
IDP	Integrated Development Plan
IPCC	Intergovernmental Panel on Climate Change
KHF	Kamiesberg Heritage Foundation
KM	Knowledge Management
LM	Local Municipality
LTAS	Long term adaptation scenarios
M&E	Monitoring and Evaluation
MDM	Mopani District Municipality
MTE	Mid-term evaluation
NAFAB	National Adaptation Funds Advisory Body
NCFCC	National Climate Fund Coordination Committee
NCRN	Northern Cape regional network
NDA	National Designated Authority
NGO	Non-governmental organisation
NIE	National Implementing Entity
PAG	Project Advisory Group.
PMT	Project management team
PPR	Project performance report
Q(#)	Quarter (#)
SANBI	South African National Biodiversity Institute
SG	Small Grants
SGB	Small grant beneficiary

SGF	Small Grants Facility
SGR	Small Grant Recipient
SKEPPIES	SKEPPIES is a small grant fund that catalyses sound business ideas that are beneficial to the environment and people in the Succulent Karoo
SSN	SouthSouthNorth Trust
TAG	Technical Advisory Group
TE	Terminal Evaluation
ToR	Terms of Reference
UNFCCC	United Nations Framework Convention on Climate Change
USD	United States dollar
WUL	Water Use License
WVSA	World Vision South Africa
Y(#)	Year(#)

Part A: Project information and evaluation approach

1. Project General Information

Adaptation Fund Project ID:	ZAF/NIE/Multi/2013/2
Project category:	Regular
Country:	South Africa
Title of project:	Taking Adaptation to the Ground: A Small Grants Facility for Enabling Local Level Responses to Climate change
Type of Implementing Entity:	National
Implementing Entity:	South African National Biodiversity Institute (SANBI)
Executing Entity:	SouthSouthNorth Trust (SSN)
Amount of financing requested:	USD 2,442,682

1.1 Project components and financing

Project Components	Expected Concrete Outputs	Expected Outcomes	Amount (USD)
1: Small grants to vulnerable communities deliver tangible and sustainable benefits.	1.1 Adaptation assets strengthened through the implementation of at least 12 small grants (approx. USD100k each) are disbursed to at least 12 local institutions in the Mopani and Namakwa District Municipalities.	1 Small grants support concrete adaptation measures that strengthen livelihood strategies, adaptive capacity, infrastructure and assets in vulnerable communities in two district municipalities in South Africa	1,542,000
2: Local institutions empowered to identify and implement adaptation response measures. [SGR and others] are empowered to identify response measures to climate induced-vulnerabilities and implement relevant climate change adaptation projects.	2.1 At least 12 local institutions in the Mopani and Namakwa Districts are supported to develop small grant projects for local-level adaptation 2.2 At least 12 local institutions in the Mopani District and Namakwa District are supported to implement integrated climate adaptation responses	2 Small Grant Recipients and associated institutions are empowered to identify response measures to climate-induced vulnerabilities, and implement relevant climate change adaptation projects	325,000

3: Lessons learned facilitate future scaling up and replication of small grant financing approaches.	3.1 Training opportunities are provided for Small Grant Recipients 3.2 Local networks for reducing climate change vulnerability and risk reduction are developed, expanded and strengthened 3.3 Case studies and policy recommendations are developed for reflecting on, replicating and scaling up small grant financing approaches	3 A methodology for enhancing direct access to climate finance is developed, based on lessons learned, providing recommendations for scaling up and replicating in South Africa and beyond.	189,000
4: Project Execution Cost			195,320
5: Total Project Cost			2,251,320
6: Project Cycle Management Fee charged by the Implementing Entity			191,362
7: Total financing requested			2,442,682

Table 1: Budget allocations against components and outputs²

	Approved (USD)	Actual (USD)
Amount of Financing Requested	2,442,682	2,442,682

Table 2: Amount of financing requested and actual funds received³

1.2 Project Timetable

Project timetable	Expected Date	Actual Date
Start of Project Implementation	April 2015	16 Sept 2015
Mid-term Review	April 2017	30 Aug 2018
Project Closing	April 2019	31 March 2021
Final Evaluation	January 2019	15 Dec 2020

Table 3: Shifts in project timetable

1.3 Timeline of events

	<i>Preparation for the SGF grant</i>
2011, Sept	SANBI accredited as SA's NIE
2012	Namakwa Vulnerability Assessment conducted by CSA
2013	Namakwa Vulnerability Assessment stakeholder engagement
2013, July	Project formulation grant approved by the AF Board for South Africa NIE
2014, April-June	Mopani Vulnerability Assessment (Mopani District Municipality involved)
2014, 10 Oct	Adaptation Fund Project Approval

² Adaptation Fund.17 September 2014. Proposal for South Africa, AFB/PPRC.15/17

³ According to SANBI the full budget has been requested and received. It is unclear whether or not unspent funds will be returned. Reference: SANBI, comments on the draft TE report, email from M.Barnett@sanbi.org.za, 13 Oct 2020

2015, 13 April	First PAG Meeting. In attendance were representatives from NIE, District Municipalities, SSN, CSA, DEA (now DEFF), Adaptation Network
2015, July/Aug	Mopani: call for Facilitating Agency
	<i>Year 1 (Sept 2015 to Sept 2016)</i>
2015, Sept	SSN Contracted as EE. Date effective “after the last of the Conditions Precedent has been fully satisfied”
2015, Sept	EE Contracted CSA, Namakwa FA
2015, Sept	EE Contracted CHoiCe Trust, Mopani FA (signed in Oct)
2015, 16 Sept	Project Start Date
2015, 16 Sept	Inception Workshop
2015, Sept/Oct	Designed criteria for call for proposals & planned briefing sessions
2015, Sept/Oct	Mopani TAG members identified, relying on recommendations from MDM
2015, October	Mopani briefing session for organisations interested to be an SGRs
2015, 6 Nov	Namakwa District 1 st Call for Concepts due date
2015, 13 Nov	Mopani District Call for Concepts due date
2015, Nov	Mopani: SGR applicants reviewed by CT & TAG. 14 recommended to PAG who approved only 1 (Mpfuneko) for proposal development
2015, Dec	Mopani: Feedback to all SGR applicants (more than 40)
2016, Jan	Supported 5 shortlisted SGRs in Mopani to rewrite concepts – Khanimamba, Holani, Ramotshinyadi, World Vision and Tsogang
2016, Feb	NIE and DEA identified investment windows gap in Mopani projects. Exilite approached to develop proposal.
2016, Feb	Namakwa proposals submitted for 5 projects
2016, end March	Mopani proposals submitted for 7 projects
2016, April	Namakwa proposals submitted for 2 additional projects
2016, April/May	Namakwa: first 4 projects approved: EMG, Gondwana Alive, Heiveld Co-op, Save Act. This was also the contract start date although contracts were only signed in Aug/Sept (Abalobi was invited to redraft at this stage, but declined and reapplied in round 2)
2016, June	Mopani: first five projects approved for phased implementation
2016, July	Mopani site visit by NIE, EE, DEA, CT and agriculture expert to provide guidance for Phase 1 for 5 projects to improve their proposals. R25k cap to complete Phase 1.
2016, 1 Aug to 1 Nov:	Phase 1 for 4 Mopani projects <i>extends into Y2</i>
2016, Aug/Sept	Namakwa: 4 contracts signed, with retrospective start dates
2016, Sept	Mopani: 1 project approved for full implementation and 1 approved for phased implementation
	<i>Year 2 (Oct 2016 to Sept 2017)</i>
2016, Dec	EE visits Mopani projects to get better insights and encourage participation
2017, 1 Feb to 1 May:	Phase 1 Exilite, Mopani
2017, 20 Feb	Namakwa District 2 nd Call for Concepts
2017, March	Tsogang and WWSA Phase 2 project proposals approved
2017, July	Namakwa: CLB and KHF approved (contracted 1 year later)
2017, July	Mopani: 1 project approved for Phase 2 (contracted almost a year later)
2017, 1 July	Mopani: Tsogang, Ramotshinyadi, Holani, World Vision contract start date
2017, July	Mpfuneko pulls out (had not been involved in Phase 1)
2017, Sept	Mopani: first tranche of money goes to Tsogang and WWSA
	<i>Year 3 (Oct 2017 to Sept 2018)</i>
2017, Oct	Workshop with CSA and EE in Mopani. Started reflecting on roles and responsibilities.

2017, Dec	CHoiCe Trust and some PAG members visit Mpfuneko to try to persuade them to reconsider their withdrawal, but unsuccessful.
2018, May	Khanimamba starts
2018, June	Holani WUL applied for
2018, June/July	Namakwa: CLF project approved and contracted
2018, July	Exilite, Coastal Livelihoods, KHF & Concordia start
2018, 27 Aug	Mid-Term Evaluation completed
2018, Sept	Mopani: 1 project terminated
	<i>Year 4 (Oct 2018 to Sept 2019)</i>
2018, 30 Nov	Mopani learning and reflection workshop
First quarter (Q1Y4)	Khanimamba project activities suspended
2019, June	Holani WUL approved (1 year later)
2019, June	Inter-district learning event
2019, June	4 Namakwa projects end
2019, Sept	All 4 Mopani projects and 2 Namakwa projects end
2019, Sept	Two Namakwa projects end
2019, 20 Sept	TE applications due
	<i>Year 5 (Oct 2019 to Sept 2020)</i>
2019, Dec	TE team contracted
2019, Dec	Final Namakwa project ends
2020, Feb	TE Inception report
2020, May	Mopani: exit plan for Khanimamba completed (it commenced in Dec.2019)
2020, Nov/Dec	Terminal Evaluation Final Report
	<i>Year 6 (Oct 2020 to March 2021)</i>
2021, 31March	SGF currently scheduled end

2. Evaluation General Information

2.1 When and for how long did the evaluation take place

Due to concerns with potential delays in the Small Grants Facility (SGF) end of project reporting, the evaluation team were originally contracted under a letter of agreement to conduct the inception phase of the evaluation. The official contract was signed on the 18th December 2019. After the inception meeting and finalisation of the inception report the implementation of the evaluation was delayed due to postponements in the final reporting for Year 4 of the Small Grants Facility (SGF) project. The evaluation team was requested to postpone the implementation of the evaluation until the project reports were approved by the NIE. In early July the evaluation team was authorised to begin gathering evidence although there were still some delays in receiving the Year 4 Project Performance Report (PPR) for the SGR projects. The evaluation team adapted its timeframe to accommodate the above delays and the availability of key informants, with evidence gathering taking place from July to September 2020, analysis and write up from August to September 2020. Below is a detailed timeframe for the evaluation and subsequent adaptations to the timeframe.

Phase	Final adapted phases & timeframe	Adapted phases and timeframe according to inception addendum	Adapted phases and timeframe according to inception report	Initial phases and timeframe according to evaluation proposal
Proposal submission	20 th Sept 2019			
Contracting				
Letter of agreement	4 th Nov 2019			
Formal contract	18 th Dec 2019			
Contract amendment 1	29 th May 2020			
Contract amendment 2	30 June 2020			
Contract amendment 3	25 Sept 2020			
Inception				
Inception meeting	31 st Jan 2020			
Draft Inception report	12 th Feb 2020			
Comments on inception report	20 th Feb 2020			
Final inception report	27 th Feb 2020			
Addendum to inception report requested by NIE before reinitiating implementation of evaluation	8 th June 2020			
Evidence gathering	15 July – 8 th Sept 2020	15 June – 17 July 2020	31 st Jan – 3 rd April 2020	11 th Nov 2019 – 10 th Jan 2020
Analysis and Report writing	12 th Aug – 25 th Sept 2020	20-31 July 2020	6 th April – 31 st May 2020	6 th Jan 2020 – 28 th Feb 2020
Feedback	25 th Sept – 20 th Nov 2020	3 rd – 14 th Aug 2020	3 rd June – 15 th June 2020	24 th Feb – 28 th Feb 2020
Final report	Nov/Dec 2020 (tbc)	31 st Aug 2020	15 th June 2020	28 th Feb 2020

Table 4: Shifts in evaluation schedule to accommodate delays in final SGF reporting

2.2 Adaptions to conducting fieldwork due to COVID-19

In the original proposal (20th September 2020), draft inception report (12th February 2020) and final inception report (27 February 2020) the evaluation design included field visits to all projects in the Namakwa and Mopani district in South Africa. By the time the evaluation team was authorised to continue with evidence gathering South Africa was under strict lockdown due to COVID-19. Travel was prohibited between provinces and face to face interaction was discouraged. Although the South African government allowed meetings of up to 50 people at a time, the SGF management decided to err on the side of caution and not clear face to face interviews or focus groups. In response to the pandemic the evaluators engaged with peers and emerging conversations around how to conduct evaluations under COVID, with one evaluator co-authoring an article in response to the pandemic based on conversations with other evaluators, educators and researchers (Mukute et al, 2020). This paper is currently under review.

The following was taken into consideration in this new COVID-19 context:

- On site visits and in person conversations are hard to replace with online or telephonic engagements. Human beings are social animals that respond differently when interacting in close proximity to each other. This physical interaction is often required to develop trust between evaluators and project stakeholders. This would no longer be possible.
- South Africa has high levels of inequality which extend to unequal access to mobile networks and the internet. As both project areas took place in rural settings the evaluators would not be able to rely on online meeting platforms to engage with the beneficiaries of the project.
- Triangulation of evidence became an issue as the evaluators would not be able to triangulate what they were reading and hearing with what they would see at the project sites.

We responded to these challenges with the following adaptations:

- Evaluators worked through the NIE, EE and FAs to establish legitimacy and trust with stakeholders.
- Evaluators sub-contracted a local researcher in Mopani to conduct focus groups via telephone in the vernacular.⁴
- Evaluators increased the amount of online and telephonic interviews to expand the level of triangulation of evidence that would have been gained from a visit to the site areas⁵. We refer to this as ‘expanding viewpoints’. Time was also spent getting to know the context of the two districts so as to be able to ‘picture’ the context in which the FAs, SGRs and SGBs worked. It was beneficial that all evaluators had worked in Limpopo before and two evaluators had experience of the Namakwa district.
- Close-out reports and case studies were used to triangulate with interviews.

2.3 Who was involved in the evaluation

The evaluation was co-led by Jessica Wilson and Jane Burt. A third evaluator, Dr Victor Munnik, was contracted as a third member of the team to interview the Namakwa projects and contribute to the overarching evaluation, analysis and report writing. An evaluation assistant, from Limpopo, Tebogo Mathebula was contracted to conduct the beneficiary focus groups in Mopani.

Table 5 below documents the interviews that were conducted for this evaluation and number of people interviewed. Table 6 lists all of the organisations interviewed.

⁴ Note: this was not necessary for Namakwa, because one of the evaluators is fluent in Afrikaans, which is their vernacular.

⁵ “To adapt to this particular context we will increase the rigour of our data collection by increasing the viewpoints we draw on to understand the system. In terms of reaching beneficiaries we will work with local NGO’s, not associated with the project, to conduct interviews in the vernacular, with beneficiaries..” (Addendum to Terminal Evaluation inception report, 8th June 2020. p. 4).

Institution	Women	Men	Total
AF NGO network	4		4
NAFAB	2	3	5
PAG	2 (1 also NIE & NAFAB)	2 (1 also on TAG and NAFAB)	4
NIE (outside PAG)	2	1	3
EE (outside of PMT)	2		2
Facilitating Agency: Mopani	2		2
TAG: Mopani	1	2 (1 also on PAG)	3
Facilitating agency: Namakwa	2	1	3
TAG: Namakwa	0	2	2
5 SGRs in Mopani	2	3	5
6 SGRs in Namakwa	1	5	6
SGBs: Mopani*	10	5 (incl. 2 SGRs)	15
SGBs: Namakwa	2	0	2
Mid-term evaluator	1		1
Total	32	21	53**

* Mopani small grant beneficiaries participated through 4 focus groups, one for each active project⁶

** Note: numbers don't add up as some interviewees are in more than one category

Table 5: Interviews conducted for evaluation

Organisation	Project capacity
Abalobi	SGR
Adaptation Network	PAG/NAFAB
Agricultural Research Council	TAG
CHoiCe Trust	Facilitating Agency
Coastal Livelihoods Foundation	SGR
Conservation South Africa	Facilitating Agency
DEFF	PAG
Development Alternatives	AF NGO network
DST	NAFAB
Environmental Monitoring Group	SGR
Exilite	SGR
Exilite Beneficiary Group	Beneficiary
Germanwatch	AF NGO network
Gondwanaland Alive	SGR
Holani	SGR
Holani Beneficiary Group	Beneficiary
Indigo	AF NGO network
Khanimamba	SGR
Limpopo Department of Agriculture - Giyani	TAG
Mopani District Municipality (MDM)	PAG / TAG
Namakwa District Municipality	PAG / TAG
NBI	NAFAB
Port Nolloth Beneficiaries	Beneficiary
Ramotshinyadi Beneficiary Group	Beneficiary
Ramotshinyadi Village	SGR
SANBI	NIE
SouthSouthNorth	Executing Entity
Suid Bokkeveld Beneficiary	Beneficiary
The Process	MEL consultant
Treasury	NCFAB

⁶ A direct interview method was used in Namakwa to include beneficiary voices, which meant that fewer Namakwa beneficiaries participated in the evaluation than Mopani beneficiaries. The evaluators' opinion is that this has not materially impacted the findings as there was strong alignment between beneficiary and SGR voices, which could not be further interrogated in the absence of site visits.

Table 6: List of organisations interviewed and their project capacity

2.4 Methodology and evaluation key questions

The terms of reference (ToR) lists the following requirements for the terminal evaluation:

- Analysing factors that contributed to or hindered achievement of project objectives;
- Sustainability of benefits, innovation, replication, and project monitoring and evaluation;
- Identifying emerging lessons and best practice that are applicable to the project and/or to the Adaptation Fund’s overall portfolio;
- Proposing specific recommendations for the scaling up or replication of the small grants facility.

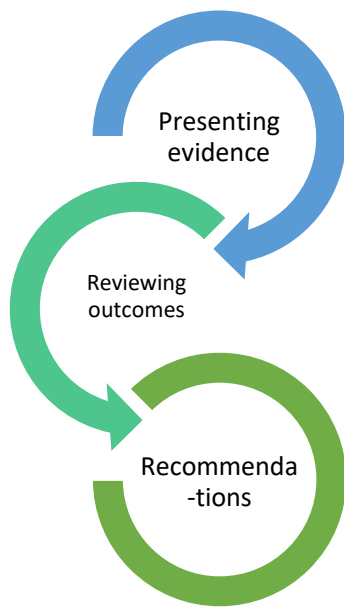
To address these project objectives we prepared a customised design approach taking into consideration the Guidelines for Project/Programme Final Evaluations by the Adaptation Fund (AF)⁷ and the ToR for Taking Adaptation to the Ground: A small grants facility for enabling local level responses to climate change⁸.

As this is an evaluation of a pilot project particular attention is given to context. The report is also longer than a usual evaluation report as we decided to take the reader through the presentation of evidence, how explanations for achievements have been derived from this evidence and then concluding with recommendations linked to these explanations (see Figure 1). Based on these explanations we are able to identify key attributes of the SGF that worked and those that did not. This is vital given that one of the purposes of a pilot is to be able to identify what brings about change and can thus be applied in other contexts⁹.

⁷ <https://www.adaptation-fund.org/document/guidelines-for-projectprogramme-final-evaluations/> Accessed 2nd February 2020

⁸ SGF, Sept 2019.

⁹ This does not mean that activities can be replicated in different contexts rather the underlying reasons why some activities worked and others didn’t is what is replicated. Project activities always need to respond to context.



What changed?

How did change happen?

What can we learn?

Figure 1: The analytical process for reaching recommendations

Figure 2 portrays how the evaluators used the DAC dimensions along with more systemic dimensions to design our approach to analysing the literature, conducting interviews and analysis of findings. We have reported on these findings using the AF end of project template.

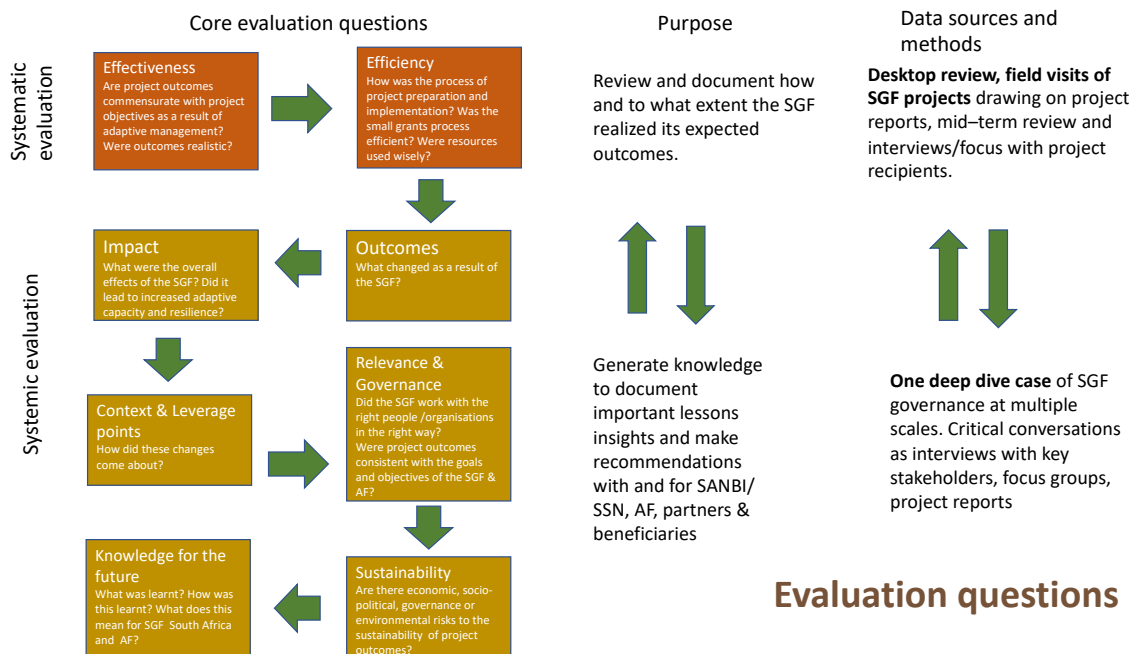


Figure 2: Systematic and systemic design

The evaluators have chosen to approach the presentation of evidence (Section 4) and the evaluation results (Section 5 & 6) as an appreciative inquiry¹⁰, a technique more commonly used when facilitating a workshop where the intention is to discover strengths and facilitate positive change. This Project has something to offer and many things did work. The next step is thinking what might have been if things had been done differently. Here the voices of the interviewees assist us to imagine a better project based on how they problematise the SGF. We ‘read’ this problematising through a broader context of climate financing and climate adaptation at multiple scales. Finally, we consider what could be done to move towards the imagined potential of this work in the recommendations.

2.5 Challenges and limitations of this evaluation

The continually shifting timeframes in the context of COVID-19 were the most difficult contextual challenges to navigate. The most significant limitation was the inability to ground truth¹¹ the material benefits of the project by visiting the project sites. The South African electricity ‘load shedding’ added to these challenges with many interviews needing to be postponed and rescheduled due to sudden cuts in electricity. This meant that interviews were still taking place after a significant amount of the report had been written and the evaluators had to continually adapt their findings as more evidence emerged.

The MTE recommended that the monitoring data be synthesised in a way that would ‘enable a thorough and systematic end-of-project evaluation’¹². Unfortunately this has not occurred and the terminal evaluation team have had to work with large amounts of unprocessed data to track evidence of progress towards outcomes and impact. This has taken a lot more time than was budgeted for in the evaluation proposal.

As discussed under Outcome 3, this pilot project had benefits and risks at different scales. The way in which risk was sometimes dealt with eroded trust between different institutions. This added a level of complexity to the evaluation as evaluators sought to understand what had inhibited and enhanced success beyond personal feelings of hurt, disappointment and the need to lay blame for the difficulties experienced. There is no doubt that this was exacerbated by what individuals were experiencing under the COVID-19 pandemic. This could have been worked with much more effectively with face-to-face, facilitated focus groups where evaluators (who are all skilled process facilitators) could have engaged with the SGF team in a way that enabled reflection on the practice of enhanced direct access while acknowledging that the process has not always been easy. This is one of the reasons we chose to frame interviews and the writing of this report as an appreciative inquiry.

The evaluators were only invited to review data that had been approved by the SGF management. As the point of departure this posed difficulties. The Y4PPR, which captured work up to end September 2019, was completed almost a full year before interviews for the this evaluation took place. Evidence, from October 2019 to date continued to emerge through close-out reports, financial statements and personal communication that provided important

¹⁰ Colvin et al., 2014.

¹¹ Ground truth is a term that has emerged out of scientific research where statistical models are used to prove or disprove a hypothesis. It has been taken up by the social sciences and refers to the process of gathering proof from the actual site of an intervention rather than basing proof only on interviews.

¹² Soal & Diedricks, 2018, p. 35

insight into activities that took place in Y5. In presenting this evidence, we have tried to make it clear to the reader which time period we are drawing from. This is particularly pertinent for the financial analysis (Section 4.5) and achievement against project outcomes (Section 5). The MTE recommended that the SGF ensure that data was synthesised in a way that would enable a thorough and timeous review for this final evaluation. Unfortunately this was not done. Evaluators were still received financial data a long time after the first draft of the report was written, with staff in the NIE and EE needing to collate data before sending it through to the evaluators.

Part B: Context & Evidence.

3. Project context/framing

3.1 An argument for the importance of context

Context is crucial in project planning and implementation – especially when changes need to be made, or are proposed and have to be decided about. Context is crucial to be able to embed adaptation and resilience thinking, and empower communities on the ground to deal with coming climate change impacts. It is widely understood that adaptation to the climate emergency is local contextual action requiring the involvement of local level decision makers and actors.

Context is also crucial for sustainability – knowing what institutions are present locally, what their approach is to climate change adaptation, what their condition is, and in how far they can support the sustainability of existing projects, would be interested in and able to replicate projects, and form an overall network working towards adaptation to climate change.

Finally, the global/national context of climate financing is crucial to the intentions, objectives and by implication, the strings attached to [requirements for handling] adaptation funding. The Midterm Evaluation report found that:

“the original project conception for funds, institutional capacity and system learning was well considered and made good provision for all functions” and that the targets of making an impact on a minimum of 600 people’s lives (300 men and 300 women) in the two districts is measurable, attainable and well considered, given the project’s pilot status.”¹³

However, it also pointed out that:

“the social, cultural and institutional scoping and analysis in situ was insufficient and incongruent with the complex realities on the ground. While both risk analysis and stakeholder consultation were undertaken, a fuller and more comprehensive scoping, including development of in-depth perspective on the sociological, political and economic circumstances of the districts was needed in order to fully conceptualise potential project impact, and strategize to embed this into regional realities.”¹⁴. It further observes: “It is not clear what the impact on and reach to other local

¹³ Soal & Diedricks, 2018. p. 7

¹⁴ Soal & Diedricks, 2018. p. 7

institutions such as existing civic structures, churches/faith-based entities and commerce has been...”¹⁵.

This evaluation has found that a fuller and more sufficient engagement with the context, or “the complex realities on the ground”, as well as the contexts in which the funding originated, and the contexts in which it was implemented, all along the chain from AF funding to beneficiaries, would have obviated a number of misconceptions. This includes a conscious articulation of the risks and benefits of the project for different scales and stakeholders (see outcome 3). As a result, we start with an appreciation of these contexts.

3.2 The context of international climate financing

The response to the climate emergency needs to be situated historically and globally. The UNFCCC recognises that the Global North economies have benefitted from fossil fuel driven industrialisation which has resulted in the current climate crises. This includes drawing on relatively cheap raw resources from economically poorer countries struggling to overcome the historical effects of colonisation, and in so doing, perpetuates those challenges. At a global level, therefore, adaptation responses include navigating the political dynamics of the Global North and South, in which countries have common but differentiated responsibilities and risks.

The Adaptation Fund, which funds the SGF through the national implementing entity (NIE) (which is the South African Biodiversity Institute (SANBI)) was established within the context of these emerging global political dynamics around development and climate aid. In 1978 the Buenos Aires Plan of Action (BAPA) was adopted by 138 states promoting a different approach to development assistance that emphasised national and collective self-reliance among developing countries¹⁶. At the UNFCCC fifth conference of parties (CoP) it was proposed that the Adaptation Fund be established as part of the proposed actions to address issues covered by BAPA. A year later the Adaptation Fund was set up under the Kyoto Protocol with the Adaptation Fund being initially funded by a small share of the certified emissions reductions (CERs). This was of particular importance to developing countries which were looking for alternative funding sources to donor funding. (Although, since the carbon market has collapsed, the AF has relied increasingly on donor funding.) The AF was therefore seen as crucial for bridging the division between developed and developing countries. The challenge for the AF was to provide predictable, secure and adequate funding streams grounded in ethical considerations¹⁷. It took seven years before the AF was fully operational and the board established. Two mechanisms adopted by the AF showed commitment to align with BAPA and the Paris Declaration. These were:

1. The AF is governed by a board composed of 16 members and 16 alternates representing parties to the Kyoto Protocol. A majority of members represent developing countries.
2. Direct access to climate financing as a financial mechanism to ensure country ownership.

¹⁵ Soal & Diedricks, 2018. p. 15

¹⁶ <https://www.unsouthsouth.org/bapa40/documents/buenos-aires-plan-of-action/> Accessed 8 September 2019

¹⁷ Grasso, 2011, p. 362

Funds can be accessed through multilateral implementing entities (MIE) or a national implementing entity (NIE). Country NIEs are accredited through the AF and then can directly access financing to design, manage and implement climate adaptation projects. The South African project was approved in 2014 and took direct access one step further with the first *enhanced direct access* modality: the community based SGF. Direct access to climate financing at a community level is something that civil society has been mobilising around for some time¹⁸. The rationale behind this step is to make finances available directly to communities and so empower local level action. As a pilot project, careful evaluation on how this worked, and for whom will be valuable for fine tuning local level financing mechanisms and for considering a model for scaling up such projects around South Africa.

This evaluation found a number of instances in which the project as a pilot project, with experimental and learning components, displayed tensions between learning and conventional compliance-oriented project management requirements rather than an integration of accountability and learning.

3.3 SGF governance context

4.3.1 SGF governance structures, roles and responsibilities.

A big component of the SGF project was piloting the development and governance of the SGF to enable local communities to access international finance. In the AF proposal it was envisaged that governance systems (including the development of capacity) both at a national and regional level would be set up in six months¹⁹. It took a lot longer.

The key organisations involved in the oversight, management and implementation of the SGF are described as follows:

Oversight:

- National Designated Authority (NDA): Dept. of Environment, Forestry and Fisheries (DEFF) (formerly the South African national Department of Environmental Affairs (DEA))
- National Implementing Entity (NIE) accredited by the Adaptation Fund (AF): South African National Biodiversity Institute (SANBI)
- Mopani District Municipality & Namakwa District Municipality
- Adaptation Network (AN)

Management:

- Executing Entity (EE): SouthSouthNorth (SSN)
- Facilitating Agency (FA): CHoiCe Trust (CT) in the Mopani District and Conservation South Africa (CSA) in the Namakwa District

Implementation

¹⁸ Abraham & Fonta, 2018. Fenton et al. 2014.

¹⁹ Adaptation Fund: Proposal for South Africa, 2014

- Grant Recipients (SGR), which manage project funds for local project beneficiaries – 5 in Mopani (Exilite 499C, Holani Home-Based Care, Khanimamba Training and Resource Centre, Ramotshinyadi HIV/AIDS Youth Guide and Tsogang Water and Sanitation); a 6th organisation World Vision’s contract was terminated; and 7 in Namakwa (Concordia Landbou Boerevereniging, Coastal Livelihoods Foundation, Environmental Monitoring Group, Gondwana Alive, Heiveld Cooperative, Kamiesberg Heritage Foundation and SaveAct Trust).

The roles and responsibilities of key role players of the SGF were described in the proposal as follows²⁰:

- The NIE is responsible for *supporting* project implementation by monitoring project budgets and expenditures and the recruitment and contracting of project personnel and consultants. The NIE is also responsible for *monitoring* project implementation and the achievement of project outcome/outputs and the efficient use of the funds.
- The EE is responsible for *receiving and disbursing funds, contracting* the FAs and other service providers as well as the SGRs. The EE is also responsible for overall *monitoring, evaluation and reporting* and ensuring reporting requirements were met. The EE would also appoint a *project manager* whose responsibility it would be to ensure project results are met within the specified constraints of time and cost.
- The FAs are responsible for *site-based support* in each district. An FA would appoint a local coordinator and project coordination staff who would identify projects, be responsible for the design and implementation of project at a district level, day-to-day operations of the SGF project at a district level which includes operational and financial management and reporting. The FAs were also tasked with reaching out and involving municipal officials from the DM’s so as to build capacity and ensure alignment with district activities such as the Local Economic Development and Integrated Development Planning.

Governance bodies:

Oversight:

- The National Adaptation Funds Advisory Body (NAFAB) is constituted to support SANBI’s programme of work with the Green Climate Fund (GCF) and Adaptation Fund (AF), as a nationally accredited entity of these funds, and in the context of unlocking a coordinated and programmatic response to climate change adaptation in South Africa. NAFAB is comprised of representatives from national government departments (Treasury, Monitoring, Planning & Evaluation, Environmental Forestry and Fisheries), SANBI, Adaptation Network (AN) and the National Business Initiative (NBI). The NAFAB is not a requirement of the AF or NDA²¹.
- SANBI’s Climate Fund Oversight Committee (CFOC), comprised of members from different divisions of SANBI.
- A Project Advisory Group (PAG) comprised of representatives from NIE, EE, FA, DMs, DEFF and AN. The PAG was set up for the project duration.

²⁰ Adaptation Fund: Project proposal, 2014

²¹ NAFAB interview, October 2020

Management and implementation

- A Project Management Team (PMT) comprised of the EE and the two FAs is responsible for day-to-day management²².
- Two technical advisory groups, one for each District, comprised of academics, local government officials and NGO representatives.

Although the governance was set up to consist of three discreet arms of oversight, management and on-the-ground implementation this is not how it was understood or experienced by all role-players (See evidence below).

4.3.2 Some Contextual factors influencing the development of the SGF design

The NIE accreditation process took place in the context of rising government corruption in South Africa²³. The detailed accounting and compliance systems of SANBI, that were strengthened through the NIE accreditation process, were seen as an advantage when receiving funds from international climate finance funds in this context. This alleviated risks associated with the management of the funds at an international level but put stress on the reputational risk of the NIE to effectively manage international funds²⁴ particularly as the broader intention of promoting SANBI for NIE status was to secure the validity of the institution to receive other global climate finances, for example from the Green Climate Fund (GCF)²⁵.

South Africa's post -1994 legislation and policy promotes the right for South African citizens to participate in decisions that will impact on their lives. Although not perfect, there is a strong culture of consultation in South Africa. This is reflected in the way in which the South African AF proposal posits the origin for applying the Enhanced Direct Access (EDA) principle in the project as follows:

“In 2012, a stakeholder workshop run by SANBI with 78 stakeholders from across different sectors, agreed on the principle that, ‘Communities should be supported to access funds directly. South Africa should investigate creating/ a mechanism, like a small grants facility, whereby grassroots communities can directly access project funds. Such a facility should provide long-term project support.’”²⁶

The NDA, NIE and the South African Climate Adaptation community agreed to this principle and the NIE began the ambitious process of proposing and then implementing the SGF within the AF climate funding system. According to stakeholders the AF is one of the few global funds that is able to take the risk associated with enhanced direct access and to understand the

²² During the inception period the evaluators were informed that the NIE was also part of the PMT. We document this understanding in the inception report. However, in follow up interviews and draft reports this was contradicted. According to the NIE, it was not formally part of the PMT but was invited to some PMT meetings, which were referred to as extended PMT meetings. This was an innovation of the MTE.

²³ Martin, & Solomon, 2016; Shai, 2017; Dassah, 2018; IMF, 2001; Madonsela, 2019; Mulaudzi, & Masenya, 2018. .

²⁴ Interviews with NIE, August 2020

²⁵ NAFAB interviews, August – October 2020

²⁶ Workshop report, 2012

associated benefits of taking this risk. This is mostly due to the small amounts of funds that are made available to countries thus significantly reducing the risk²⁷.

Another key contextual factor was the newly developed Environmental and Social Policy (ESP) which was approved by the AF Board at the same time that the South African project concept note was approved and the Project Formulation Grant of US\$30 000 was approved for the NIE to develop the South African proposal. The ESPs along with the Gender Policy and Action Plan received international praise in 2016 with the UN special rapporteur for human rights and Environment, John Knox, writing:

“Safeguards protect against human rights abuses by ensuring that climate programs and policies supported reflect the concerns of those most affected. The Paris Agreement should follow (and where possible, improve upon) the examples set by other climate mechanisms that have adopted strong safeguards, such as the Adaptation Fund,”²⁸

Marcia Levaggi, the then Manager of the AF Secretariat pointed to how the AF was the first environmental fund to include respect and promotion of human rights amongst its safeguards. The AF NGO network was also behind the new ESPs with members from the South African Adaptation Network having participated in the development of the new policy²⁹. An example given for the reason why the AF needed the ESP was as follows:

“Imagine building a seawall to help adapt to climate change, but instead of protecting the fishing community it protects the hotels. That’s why we need to orient adaptation toward the vulnerable, and address issues like floods and salt infiltration. Civil society plays an important role to advocate on behalf of the vulnerable.”³⁰

Given the high level of international and political attention that the ESPs and Gender Policy received, it is not surprising that this became a core focus for the South African NIE. The NIE proposal continually cites the ESPs as the core motivation for monitoring and compliance³¹.

The NIE also applied for a Technical Assistance Grant of \$20 000 to strengthen its capacity to comply with the ESPs. This was granted in February 2016³². The NIE used this grant to develop an ESP toolkit and guideline document. The lessons learnt from applying the toolkit have been shared broadly with AF accredited NIEs from many Global South countries³³.

As reflected in Section 4.2 below, the international praise for the innovative quality of the ESPs is not mirrored at the community level in the SGF project. The stringency of ESP compliance veered towards increasing local organisations’ vulnerability and the risk of damaging relationships of trust between local organisations and beneficiaries. The explanations for this

²⁷ NAFAB interviews, August -October 2020; Grimm, J., Weischer, L., & Eckstein, D. (2018). The future role of the Adaptation Fund in the international climate finance architecture; Mostafa, M., Rahman, M. F., & Huq, S. (2016). Climate adaptation funding: getting the money to those who need it. *Bulletin of the Atomic Scientists*, 72(6), 396-401.

²⁸ <https://www.adaptation-fund.org/proactive-focus-environment-social-gender-policies/> Accessed 20th July 2020

²⁹ Interviews with AF NGO network, August 2020

³⁰ <https://www.adaptation-fund.org/proactive-focus-environment-social-gender-policies/> Accessed 20th July 2020

³¹ Adaptation Fund: Proposal for South Africa, 2014

³² Adaptation Fund. 16 February 2016. Proposal for Technical Assistance: SANBI (South Africa, US\$20 000) Decision B.26-27/15. <https://www.adaptation-fund.org/wp-content/uploads/2016/02/AFB-Decision-B-26-27.15-Approval-Technical-Assistance-Grant-South-Africa.pdf> Accessed 30 July 2020

³³ Tshindane, 2018

are discussed further under Outcome 2 and 3 (see Sections 5.3 and 5.4). Although this is so SGRs have also shared how they have learnt through having to comply with the ESPs.

3.4 Context of districts

Two districts were involved in the project: Namakwa in the Northern Cape province and Mopani in Limpopo province.

3.4.1 Mopani

The project design was based on vulnerability studies as part of the detailed design phase. For the Mopani district, this involved 7 workshops and consultation with 111 stakeholders based on livelihood and sectoral approaches, including the Mopani district municipality. The studies identified as priority areas: insufficient access to clean water, which would be worsened by increases in average and extreme temperatures resulting in increased water demand by people, plants and animals, and made more difficult by increased evaporation, heavy rainfall events and inadequate water infrastructure including its management by local authorities; reduced food security, as a result of water issues above, heat stress, decrease in grazing, crop failure and the spread of pests; health challenges as a result of increases in average and extreme temperatures, leading to high blood pressure and diarrhoea associated with dehydration and fatigue, as well as the spread of malaria into warming area; economic losses for small businesses and traders as a result of increased heat on traders' health, food losses (due to lack of cooling storage); and damage to infrastructure, including roads and bridges, housing and drowning risks.

In the Mopani district, the project took place in the Greater Letaba and Greater Giyani local municipalities, which form two of the five local municipalities in Mopani District Municipality in Limpopo Province. It is a summer low rainfall area where winter frost is rare and summer temperatures are high. Land ownership is complex and contested with almost 50% of Letaba's land subject to land claims³⁴ and traditional authorities playing an important role in land-use decisions. This was evident in the SGR projects. For example beneficiaries had this understanding of land use conflict in which they became involved:

“At the beginning of the project we requested land from the tribal authority, we were given land previously used by another group in the 1980's. When we started farming the families of the previous farmers started to demand compensation. To resolve this conflict, we involved them on the project but some left because they were expecting salaries. In hindsight, it could have been better if we got a piece of land that was not previously owned. This was one of the regrettable decisions taken through the tribal authority.”³⁵

The SGR projects took place in remote rural villages, some that could only be reached by dirt road, where transport to urban centres was intermittent and expensive, where fresh produce was limited or non-existent and where municipal services including household reticulated water, sanitation and refuse removal were poor. As a result, village residents have learnt to adapt to difficult circumstances including to failing service delivery and have built or accessed non-government, traditional authority and government networks. A range of support organisations have emerged, particularly focusing on social development and/or public health,

³⁴ SANBI Vulnerability Assessment, July 2014, in ProDoc, citing GGLM 2013.

³⁵ Beneficiary focus group, July 2010

including home-based care, HIV, nutrition and early childhood development. These are the organisations and networks that the SGF tapped into.

3.4.2 Namakwa District

In 2012, a Climate Change Vulnerability Assessment was undertaken for the district (by CSA with the support of the DM), based on a survey with all 52 settlements in the district. This was followed, again by CSA, with an intensive stakeholder process with local government, and then with civil society organisations, to support the design phase of the project, resulting in the identification of priority risks. These were: Reduced viability of agricultural livelihoods (including fisheries): there is great dependence on these livelihoods, which are likely to be affected by drought, heat stress in plants and animals, lack of water for livestock and crops, impacts on livestock reproductive health. These could result in unemployment, reduced household income and reduced food security; Damage to infrastructure/human settlements: housing, transport infrastructure, irrigation infrastructure, fishing and diamond dredging in facilities could be affected, sea water intrude into fresh water aquifers; Increased demands on local authorities to provide services (and deal with these complications); Degradation of ecological infrastructure: affecting crucial ecosystem services such as grazing and clean water.

The area is a hot and dry semi-desert and vulnerable to climate change, including increases in temperature, affecting livestock and herders, and an increase in storm and low visibility conditions at sea, affecting fishermen. The Namakwa District Municipality 2010 Disaster Risk Reduction Strategy identified coastal storms, droughts, strong winds and floods as major threats.

Namakwa, as the name suggests, is a stronghold of Nama indigenous culture, and some beneficiary organisations, such as Kamiesberg Heritage Foundation, strongly identified as indigenous people, including the way they farm livestock and take care of the local vegetation (ecosystems). However, this is not uniform and particularly coastal fisher communities do not identify in the same way. Lack of knowledge of this important difference led to a tense situation in a workshop in Port Nolloth, which was however diffused through dialogue and an apology.

The project took place in the Namakwa District, which is the biggest district in South Africa by area. Its population of around 120 000 people is sparsely distributed over an area of 126,836 km². Distances between settlements are huge and travel takes long and is expensive. This had an impact on project implementation, for example kilometre rates were not adequate to compensate for wear-and-tear on vehicles. A village often only has a single transport service provider, so it is impossible (or very difficult) to get 3 competitive quotes. As a result of a history of “coloured reserves”, there are relatively large commonage areas used by local herders, in the care of local municipalities. Most SGF projects in the district built on prior work in terms of climate change, rooibos cultivation, farmer stewardship agreements (assistance in developing grazing systems that conserve the local vegetation ecosystems) and security at sea communication systems.

3.5 Broad contextual factors in South Africa

A number of broad contextual factors are important to keep in mind.

There is a general occupation with corruption in South Africa³⁶, after 9 years of what has become known as ‘state capture’³⁷ – corruption by private sector players that is enabled by corrupt state players. While many regulations have been put forward to contain this, they have had the perverse effect of “catching the small fish and letting the big fish swim above”, and instilling a general nervousness and paralysis among government officials. Another aspect of corruption is the preoccupation of politicians and officials with looting, instead of delivering services. Corruption is one of the factors that has led to a general slowdown in the economy, and an increase in economic hardship. It has also led to a difficult compliance and regulation culture in South Africa – evidenced by the difficulties experienced in some projects to acquire the required licences for water/fishing in midst of chaos and corruption and weak and random regulation and compliance across systems³⁸.

South Africa is a young population. In Limpopo 60% of population is under 25. And approximately 40% are under 18. This impacts on some of the ways government thinks about how to link these projects with technical colleges (young people in rural areas)³⁹. The NDA reports that one of their most important insights from the SGF is that climate adaptation projects could be used as a training ground for young people who have received administrative or financial training through local technical colleges⁴⁰. This would require coordination of government departments and funding. Currently, education systems in South Africa are in dire straits⁴¹. What this points to is how climate adaptation responses will be more effective if part of a more systemic approach to livelihood development.

A large number of South Africans survive within the informal economy in rural areas. This impacts on how SGR’s run these kinds of projects and what they can expect from beneficiaries, since the informal economy is based on unregulated relationships of trust and familiarity⁴². The experience with COVID-19 has shown how hard the informal economy can be hit by national level decisions, e.g. informal traders couldn’t get licenses⁴³. People are already vulnerable and are then being asked to function as if they were in formal systems. Although the SGF was designed to deal with this by identifying SGRs who could meet due diligence requirements, what was not considered was that SGRs still have to work within a rural and informal economy.

³⁶ See <https://www.dailymaverick.co.za/opinionista/2020-08-20-lets-shed-our-pessimism-about-corruption-the-orange-overall-brigade-is-growing-by-the-day/>

³⁷ Martin, M. E., & Solomon, H. (2016). Understanding the phenomenon of “state capture” in South Africa. *Southern African Peace and Security Studies*, 5(1), 21-35; Shai, K. B. (2017). South African state capture: A symbiotic affair between business and state going bad (?). *Insight on Africa*, 9(1), 62-75; Dassah, M. O. (2018). Theoretical analysis of state capture and its manifestation as a governance problem in South Africa. *TD: The Journal for Transdisciplinary Research in Southern Africa*, 14(1), 1-10; IMF, (2001) "Confronting the challenge of state capture in transition economies." *Finance & development*; Madonsela, S. (2019). Critical reflections on state capture in South Africa. *Insight on Africa*, 11(1), 113-130

³⁸ Weston & Gogo, (2016) *Natural Resource Governance Systems in South Africa*. WRC Report no 2161/1/16; Galvin, M., & Roux, S. (2019). Dam state capture: its cascading effect on the Department of Water and Sanitation. *Transformation: Critical Perspectives on Southern Africa* 100, 153-178. [doi:10.1353/trn.2019.0026](https://doi.org/10.1353/trn.2019.0026).

³⁹ Interviews with NAFAB, PAG and NDA, August – October 2020

⁴⁰ Interviews with NDA, August 2020

⁴¹ Amnesty International (2020), *Broken and Unequal Education: The state of education in South Africa*. Amnesty International: London

⁴² Charmes, Jacques. (2020) Why and how should the informal economy be revisited after 50 years? ; Oehmke, K. (2019). Building African Agribusiness through trust and accountability. *Journal of Agribusiness and developing and emerging economies*; Isaac Oduro Amoako, Cynthia Akwei & Isaac Damoah (2020) “We Know Their House, Family, and Workplace”: Trust in entrepreneurs’ trade credit relationships in weak institutions, *Journal of Small Business Management*, DOI: [10.1111/jsbm.12488](https://doi.org/10.1111/jsbm.12488)

⁴³ Wegerif, M.C.A. “Informal” food traders and food security: experiences from the Covid-19 response in South Africa. *Food Sec.* 12, 797–800 (2020). <https://doi.org/10.1007/s12571-020-01078-z>

4. Presenting the evidence

4.1 Introduction

In this section we present the evidence that we draw on in Part C when reporting on the projects achievements according to outputs and indicators, risks to sustainability, contribution to the AF's targets, objectives, impact and goals and the benefits of the projects M&E systems.

The evaluators have, to the best of their ability, presented evidence according to the timeframe of the project moving from the establishment of the SGF to project concepts to closure (although closure is not complete).

The first section 'The governance of the SGF covers oversight and management at the level of NIE, EE and FAs. District level evidence on oversight, management and implementation are covered in 4.3 and 4.4 respectfully.

4.2 The governance of the SGF

As this is a pilot project it is not surprising that the design of the SGF governance dimensions (oversight, management and implementation) would and should shift over time along with an understanding of the roles and responsibilities of different organisations. It is also clear from interviews⁴⁴ that as the project proceeded organisations began to identify the capacities and competencies needed for managing a SGF. This was not an easy learning process and often tensions were high as institutions had to navigate the learning that comes with a pilot project and the political/institutional pressure to 'succeed' against indicators and outcomes. One interviewee commented on the design of the SGF, "some things were considered simple to do but there were 1000 things that were not simple. Nothing about the SGF was simple."⁴⁵

It is also evident from the interviews that there is a difference between how the governance of SGF was set out on paper and how it was *experienced* or *understood* at the different levels of the SGF system. The evaluators are not making a judgement on whose experience is the correct one; rather we are highlighting how there was not a shared experience or understanding of the different dimensions of the SGF or of their boundaries.

⁴⁴ Interviews with NIE, EE, FAs and NAFAB, August – October 2020

⁴⁵ Interview EE & FAs, August 2020

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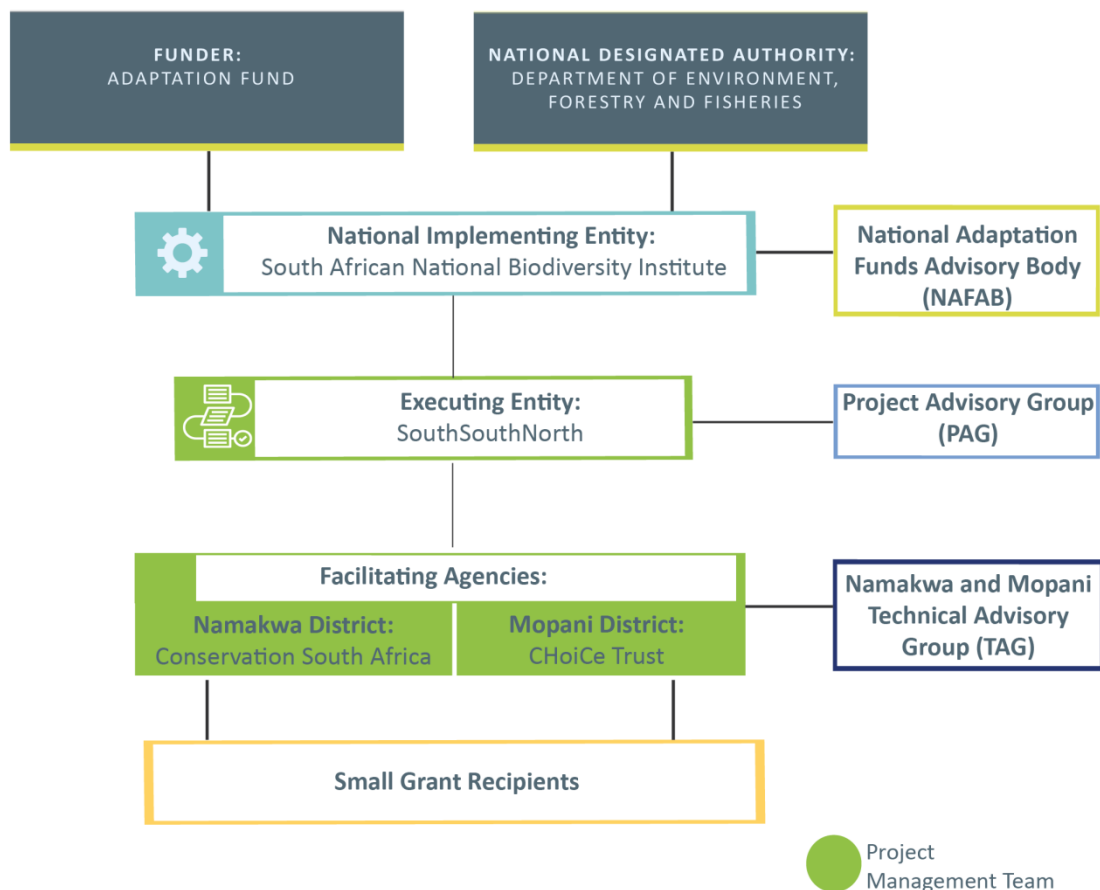


Figure 3: Most recent SGF diagram of project governance structure

The design of SGF governance structures, roles and responsibilities was done to manage the benefits and risks that come with international multilateral financing as well as navigating the strengths and weaknesses in the current landscape of South African climate governance.

Below, a brief description of how the different aspects of the SGF governance system were designed is followed by a description of the perceptions of how this played out in practice.

4.2.1 Oversight

The SGF has a comprehensive and overlapping multi-stakeholder oversight design as described above in Section 3.3. Oversight committees and groups have overlapping representation. The NDA is represented on both NAFAB (where oversight is broader than the SGF) and chairs the PAG which is the body with a specific oversight function for the SGF. Relevant national government departments are represented on NAFAB, with district municipalities represented

on PAG and the TAGs. The NIE coordinates the NAFAB and co-chairs the PAG. The EE coordinates the PAG. The private sector is only represented on NAFAB; civil society is represented in NAFAB and PAG; and academic institutions and local government departments are represented on the TAGs.

Oversight overlaps with management through the EE, which is responsible for operational and financial management of the project and thus part of the PMT (the project management team) with the FAs.

The NDA is represented in two multi-stakeholder oversight bodies for the SGF. The first is NAFAB which is a body set up by SANBI (the NIE) and has mandated representatives from the NDA, NIE, other government departments, CSO and private sector. Oversight is broader than the SGF and includes one other project funded by the AF and potential projects under the GCF. The purpose of NAFAB is to facilitate coordination, alignment and engagement between SANBI climate change division, government, civil society and the private sector so as to contribute to a transformative and systemic response to climate change adaptation. NAFAB is guided by a set of 5 objectives relating to this purpose⁴⁶.

SANBI also has an internal oversight body, the CFOC which coordinates funds for climate change within SANBI. CFOC's oversight function is part of SANBI's Climate Funds Environmental & Social Risk Management Framework. CFOC approves the risk management dashboard once it has been reviewed by the Climate Funds Unit and the SANBI Climate Funds Expert Review Panel. The CFOC also officially issues or endorses recommendations for future action⁴⁷.

At a district level there is technical oversight and guidance by the TAGs which consist of government departments, universities and municipalities.

Evidence of what happened or what is perceived to have happened

NAFAB

The evaluators interviewed as many members of NAFAB as possible about what they were learning about the SGF, what they saw as the successes and the challenges of the project and how they viewed the role of NAFAB. The successes and challenges were similar across those interviewed. What differed was how different members perceived NAFAB. There were also different understandings about the role of NAFAB in the SGF management system. We consolidate these responses below which we have documented as close to verbatim as possible:

What are the successes and challenges of the SGF as expressed by interviewees:

- The governance model has too many layers. Reducing the layers to two, NIE/EE and FA would reduce administration costs. The three -tiered approach also prolonged financing and reporting and scuppered opportunities for learning. It may have been better to build the capacity of other layers rather than have three layers. This needs funds.

⁴⁶ SANBI, 2019. Terms of Reference: National Adaptation Funds Advisory Board (NAFAB)

⁴⁷ SANBI, 2017. Climate Funds Policy and Processes manual, Version 8

- Government is not flexible enough to get funds flowing fast enough therefore a layered governance and management system is necessary. The SGF management team saw the NIE as fierce but they have very lenient systems in comparison to government.
- SGF was delivered well and was extensive but there is a lack of conviction about the value for money of the project to communities. The inefficient systems and administrative challenges adversely affected projects on the ground.
- The way the project was reported can be improved. The question remains how to not make reporting and accountability punitive.
- The role of the NIE is critical because they are more trusted in terms of managing funds. This credibility is a critical aspect.
- The different layers of the SGF system started blaming each other around issues of compliance. This compromised the whole process. In rural areas things are done differently. A project comes along and asks for three tenders and they fetch their neighbours, and brothers and sisters. We can't blame them for that.
- A valuable lesson for future initiatives like this is to set it up as a capacity building process where young people new from the FET colleges are given internships to community organisations to develop the skills that they have learnt at college and to develop more skilled project managers on the ground. This is also about intergenerational learning. This means that we are embedding skills rather than importing skills from outside the area.
- Monitoring and compliance: a) the NIE should have a dedicated team for monitoring and compliance; b) the project should appoint independent financial advisors with experience with local communities.
- Communication about the project has been lacking. It is well-known within the AF space but not well known in South Africa.
- The question remains how to address the safeguards of the AF and how do you translate these for the SGRs. The AF does not say that the SGRs have to fulfil the ESP safeguards. It is the NIE that has to fulfil them. It would be interesting to know how other countries like India and Senegal translated ESP requirements.
- It would have been useful to monitor the learning of the SGRs more methodically, for example, what do you know that you didn't know beforehand.
- The challenge is navigating different contexts and how these are valued. Management sit in urbanised environments within a formal economy so we must be careful how we label who has capacity and who doesn't. In this context it was the higher levels of SGF management that did not have the capacity to manage a project in a rural context. A formal economy requires stringency but an informal economy works on relationships. Sometimes the people at the forefront of processes try to look too perfect in front of the international community and miss good opportunities for making sure that things take place in a manner that they should take place. It is about developing trust, for example, if I give you a proposal and you find fault with it then I am in trouble but if you say rather why don't we do 1, 2, 3 to make this transformative then I can look good. Then I trust you to assist me. Instead the experience was, "this is not feasible." It also depends on how we define impact on the ground. If it is only in terms of the numbers then we are not reaching our objective. Impact on the ground for communities is not in numbers. This project is about learning. If we are caught chasing numbers then the impact of learning is missed. What we didn't get right was how we evaluate success from the communities perspective. FAs are very significant in this regard.

The role of NAFAB: what is working and what could be improved⁴⁸

- NAFAB is fulfilling an important role at the national level and SANBI, as a coordinator of this role does a good job in a difficult context.
- There are spaces for improvement particularly in how information is shared so as to generate learning and facilitate better alignment. i) NAFAB's oversight capabilities could be strengthened by bringing the NAFAB membership closer to the projects on the ground. "We need to improve the interface between the national level and communities on the ground." ii) There is concern that local knowledge is being lost in the way in which the projects are shared as well as time given to facilitating a more comprehensive response to arising challenges. iii) The way information was shared did not facilitate dialogue around core challenges or how different government departments could step in to assist. There is an understanding that government cannot address the challenges of climate change alone and needs to develop a relationship with NGOs and the private sector but how this is done has still to be worked out.
- Government departments that are members of NAFAB had different levels of understanding about realities on the ground. Some expressed a nuanced understanding of the challenges of bringing the different contexts of government, NGOs and communities together to address climate adaptation whereas others expressed a frustration with local institutions and their lack of capacity. The project gave on the ground evidence that some government officials have not seen before which then could be shared at the NAFAB.
- NAFAB introduced perspectives that would not have been present without the oversight body. It also led to cross-pollination.

Learning from the SGF

- Climate adaptation issues need to be viewed within the context of social and economic challenges and addressed in an holistic or systemic way. Currently the SGF project sits as individual projects in communities, and it would have been a more valuable experiment if these small projects fitted into a broader livelihood vision for communities. This requires early design work with how AF type projects fit into other sources of funding working on other core challenges such as health, water quality and access and economic empowerment.
- NAFAB can become a platform to troubleshoot issues relating to compliance and to step in when there is a lack of engagement or compliance from local government.
- There is very little sharing of bilateral and multilateral funding in South Africa so it is hard to coordinate across projects⁴⁹.
- There can be better alignment between on the ground projects and government departments. For example, if the project is on fisheries then the technical team can be led by the DEFF. If it is a project around ecotourism then the Department of Tourism can run the technical team.
- Strengthen the custodianship of the different projects at a district level. This includes assigning custodian targets.
- The NIE should play a strategic role only and rather expand the role of non-state actors. Government can be led by non-state actors that have a better understanding of local

⁴⁸ NAFAB interviews, August & September 2020

⁴⁹ AF NGO network interviews, August 2020

communities. The intention of the project is to broaden the influence of non-state actors to engage in the political conversation.

- Strengthen our articulation of policy imperatives
- More stakeholder engagements with the private sector to develop synergies between what is being piloted and how this can be upscaled.

PAG

NAFAB is an oversight body that endorses decisions. PAG had more power in decision making given that the body had to approve the SGR projects (see below). The real or perceived power of NAFAB was felt in PAG with members expressing how they did not understand how decisions were framed or made in NAFAB⁵⁰.

Management and contracting

According to the AF contract the NIE is responsible for overall management of AF projects. In the AF proposal the responsibilities of management are split between the NIE (monitoring) and EE (operational and financial management). The management of the project is coordinated by the PMT that consists of the EE and FAs.

What happened and what is perceived to have happened.

The NIE and EE faced early delays and challenges with contracting. The main issue revolved around the level of financial risk that was feasible and at what scale. With the NIE and EE contract the issue was mainly around EE taking responsibility for third party default. With some softening of the language the EE agreed to sign the contract although they felt that a commercially-minded institution would not have taken this risk⁵¹.

It is hard to make a balanced judgement on exactly what the issues were in contracting of the SGRs as different responses were given by the different organisations interviewed. This speaks more to the tensions between the different layers of the organisation and thus makes it impossible to clearly articulate what worked and what did not. Some of those interviewed felt that the NIE over complicated the process by stepping in to rewrite the framing of the legal provisions. Whereas the some felt this was necessary to simplify the contract as they did not believe that the SGRs understood what they were signing. No SGR commented that they did not understand the contracts but this was not a specific line of enquiry at the time of doing the interviews.

More serious delays were felt when getting the technical project design of the SGR project approved at proposal stage at each scale of the SGF system. The technical project design went back and forth between:

- 1) FA and SGR, and then
- 2) EE and FA and SGR, and then
- 3) EE on behalf of PAG and FA and SGR, and then

⁵⁰ PAG interviews, July and August 2020.

⁵¹ Interviews with EE, August 2020

- 4) EE on behalf of NIE and the FA and SGR and finally
- 5) EE on behalf of NAFAB and the FA and SGR.

This multi-scaled approval process was described by the management system as ‘ad hoc’ with comments and demands flowing up and down the hierarchy without much coordination. This changed over time with the final call for proposals being much smoother. Again there are mixed opinions as to why the proposal process improved. On the one hand the reason given was that there was not much interference with later proposals, on the other the change was put down to the introduction of standard operating procedures. The significant differences in accounts makes it very difficult to draw a conclusion as to where the problem actually lay and what the solution was. Again this speaks to the tensions between the NIE and EE rather than providing a verifiable account of the process.

The result of the multi-scaled approval process meant translating new conditions into contractual terms which the EE did by formatting an Annex B of conditionalities that were understood to have mostly been prescribed by NAFAB⁵². However, the NIE reports that NAFAB played no role in setting up the review panel for the SGR projects and that this was done by the EE and consisted of 3 independent expert reviews which were needed per project. One of these was from the TAG. Integrated reviews were then presented to PAG and NAFAB and it was the reviews that were the source of the conditions that were included in the grant agreements (Annex B). Only once PAG had endorsed the projects were they presented to NAFAB for approval. Regardless of where they originated from, the additional conditionalities⁵³ seem to have created significant time delays. The process may need to be reviewed to be more time efficient if the SGF is to be replicated given that all the delays in this process led to significantly shortening the implementation time available to the SRGs.

“It was brutal, as was obtaining all the documentation from SGRs in compliance with those conditions – from tax clearance certification to municipal approvals to opening project bank accounts.”⁵⁴

Although the SGR contracts did not include the strict liabilities that the EE was accountable for, the added conditionalities in Annex B were felt as a cascading of risk down the financial chain to the local organisations involved that was seen as inappropriate by some people in the management system of the SGF.

Difficulties with SGR proposals included the ability to clearly articulate clear adaptation propositions in response to identified climate vulnerability⁵⁵. This highlights a core contradiction in the design of the SGF that was identified in the MTE and reflected on by SGF management. The purpose of component 2 of the SGF, is to empower local institutions and yet at the same time it was assumed that local institutions would already be able to articulate adaptation responses in a way that is recognisable within the discourse of climate science. It was also assumed that local institutions would have more capacity to comply with the

⁵² Interviews with EE, August 2020

⁵³ Most of these additional conditions were requirements to be met by the SGF to be compliant with the ESPs.

⁵⁴ Interview with EE, August 2020

⁵⁵ Soal & Hendricks, 2018

conditionalities of Annex B even though outcome 2 (under component 2) aims to empower local institutions to ‘identify response measures to climate induced vulnerabilities and implement relevant climate change adaptation projects.’ What seems to have been learnt is that implementing relevant climate adaptation projects includes learning the administrative and compliance skills needed to implement a project with international funds.

Operational experiences: Communication, Reporting and Funds

The above led to feelings of frustration that were articulated by the different levels of the SGF management as follows⁵⁶:

- A felt lack of clear communication about the level of detail and administrative compliance that would be needed from the SGRs lead to local relationships of trust being damaged because of the significant delays in contracting and payment⁵⁷.
- SGRs were unprepared for the level of detailed reporting that was required which led to further delays in reporting and thus payment.
- The context that SGRs operate in was not taken into consideration, for example something that would take one hour for a big organisation in an urban environment, can take days for an SGR due to a lack of connectivity (mobile networks and electricity are often down in rural areas making it difficult to reach SGRs and for SGRs to reach SGBs); some SGRs would only have one laptop for the whole organisation; and to print meant a trip to the local urban area to visit a printing shop⁵⁸ in areas where there is limited public transport on unmaintained rural roads.
- It was assumed that SGRs would keep supporting documentation and that the EE would only need to request sample documentation for each report to ensure that the SGRs were keeping records. As the project proceeded trust was eroded due to the different expectations at different levels of the hierarchy. This led to more supporting documentation being requested and questioned from higher up the financial chain. This revealed how difficult it was for SGRs to keep detailed records and FAs began to move in to assist.

As the SGF management system learnt what was possible and where SGRs needed support, there were shifts in the reporting systems with the templates being reviewed and updated three times. SGRs and FAs agree that the reporting templates improved and reporting became more streamlined. The most significant shift in the SGR reports was the handing over of reporting against project risks and the ESPs to the FAs⁵⁹. However, the experience of the demand for all supporting documentation to be presented right up the financial chain did not decrease. Rather it was felt that this expectation increased⁶⁰.

This management system was increasingly experienced as stressful, and disempowering⁶¹:

⁵⁶ Interview with SGRs, FAs, EE and NIE

⁵⁷ The example given in the MTE relates to the need to have SARS tax clearance certificates which can take a long time to get. If the SGRs knew they would have needed these to receive the funding they could have started preparing during the concept phase of the project. Other examples can be found below relating to the two different areas.

⁵⁸ Interviews with EE & SGRs, July - August 2020

⁵⁹ Interviews with SGRs, FAs & EE, July-August 2020

⁶⁰ Interview with EE & FAs, July-August 2020

⁶¹ Interview with SGRs, FAs, EE and NIE, July-August 2020

- Responses from higher up the value chain were experienced by FAs and SGRs as demands rather than supportive engagement.
- SGRs often did not see the relevance of requests, passed to them by the FA, from further up the financial chain, and so ignored them with the FAs requesting the EE to step in.
- EE staff expressed how they felt that their role became ‘the police in the system’ in order to ensure that SGRs met all the expected compliance conditions.
- NIE expressed frustration at late reporting and said that the level of reporting expected was not stringent in terms of their organisations reporting requirements.

One way in which this was addressed was to increase verbal communication between the different levels of the SGR system and to consolidate comments rather than sending comments from all parts of the SGF down to SGRs⁶². Communication strategies did change after the MTE, with the EE and NIE having weekly conversations. The main points of these conversations were then communicated with the PMT.

In 2016, the EE employed a staff member that had a background in community adaptation. FAs and SGRs felt a significant improvement in relationships and in support from the EE after this new capacity was introduced into the system⁶³. The project manager gave an example of how she would need to mediate knowledge from ground level to higher up the financial chain.

“SGR did the garden plans as hand drawings showing where the beds were in relation to the sun. These were submitted as evidence with their quarterly report. The report was sent back by the NIE with the comment that the drawings were insufficient as a plan and that the report needed to include a narrative. The SGRs sent narratives but these were sent back as also not being in a language that spoke directly to climate adaptation. At this point I wrote the narratives for the SGR and submitted the report to the NIE⁶⁴.”

The interviewees expressed how these changes did begin to mend the broken-down trust between the different levels of the SGF system but feelings of frustration and hurt clearly remain present for most of people involved⁶⁵. Although this was so, people also expressed an understanding that everyone was doing the best that they could do within the institutional context that they worked.

These tensions are not unique to the SGF governance system. In an opinion piece in the National newspaper, the Daily Maverick, Mark Swilling, Amanda Gcanga and Andrew Boraine argue that this has become a systemic issue in South Africa where, on paper, government is a developmental state based on co-operative governance and participatory governance with civil society, academia and the private sector. Instead the compliance culture is killing this developmental state where government departments are fearful of making mistakes in a regulatory environment where it is impossible not to make mistakes. In this context, officials minimise risk and maximise compliance.⁶⁶ The article goes on to argue that since State Capture this compliance and culture of vigilance has increased leading to even less innovation and state paralysis. Effective service delivery is reduced to ‘stock-taking,

⁶² MTE and PPRs

⁶³ SGR and FA interviews, August 2020

⁶⁴ EE interviews, August 2020

⁶⁵ EE, NIE and NAFAB interviews, August 2020

⁶⁶ Swilling et al., 2019

performance dashboards, real-time reporting, outputs and audits'⁶⁷ The stress of navigating this tension can clearly be felt in the primary data provided through interviews with staff of the SGF management system.

Formal procurement verification in the context of an informal/rural economy

The stipulations around procurement which are the norm in the formal economy created tensions within the more informal, rural context that the SGRs worked in. Procurement verification was originally done by FAs but over time the EE stepped in given the level of work and compliance that it required, as well as additional negotiation of the roles and responsibilities. There are mixed responses to the compliance required in the procurement process:

- On the one hand having to find three quotes for services that would cost over R2000 (approx. US\$125) is difficult because of the amount of local suppliers needed and in some instances people preferred to stick with certain suppliers they already knew and didn't see the need to source more quotes⁶⁸.
- On the other hand, the EE picked up how similar services would be procured for completely different prices in areas that were close to each other with very little understanding why there was such a discrepancy in cost⁶⁹.
- The SGRs felt mistrusted by the level of scrutiny and, for the most part EE report that they found that the quotes received were budgeted correctly⁷⁰.

For the duration of the project the procurement system remained pressurised and tense.

Release of funds

The way money was released was experienced as challenging. Interviewees had different views on how funds were received and what stipulations had to be fulfilled before funds were released. It is beyond the scope of this evaluation to fact check exactly how funds were released. What the different accounts demonstrate is that the process was not clear. Below we document the experiences of receiving funds along the financial chain.

- A consolidated report from EE, cleared by the NIE, was required to release funds⁷¹. Over time the consolidated report was not enough and all supporting documentation including all the individual reports from each SGR needed to be reviewed by the NIE before funds were released. This was the reason given for the SGRs experiencing long delays in receiving funds.
- Small CSOs do not have contingency funds to carry projects while waiting for funding to make its way down the finance chain. In some cases projects came to a complete standstill because of no funds. During a site visit by the NDA and NIE, the damage of funds being delayed was made apparent and funds were released within two days⁷².

⁶⁷ Swilling et al., 2019

⁶⁸ Interviews EE and FAs, August – October 2020

⁶⁹ EE and FA interviews, August 2020.

⁷⁰ EE and FA interviews, August 2020

⁷¹ EE and FA interviews, August 2020.

⁷² EE, FA, PAG and NCFAB interviews, August and September 2020.

- SGRs express a lack of clarity as to who makes decisions relating to the overall project and how funds could be spent.
- The SGF management system reported how the SGRs resented the heavy-handed oversight of the EEs and FAs on expenditure and read this as a lack of trust⁷³.
- The evaluators can add their own experience as an example of payment delays: it took the management system 9 months to clear the second payment to the evaluators, once the inception report had been submitted. The evaluators are currently waiting for the third payment which is overdue according to the contracted time period in which payments should be made, once a deliverable is submitted.

Omari-Motsumi et al⁷⁴ reflect on the challenges of developing countries working in the context of global climate financing. They call these challenges the disconnections and systemic barriers in the architecture of multilateral climate funds and identify a ‘missing middle’, the sub-national actors that ‘need to be the central actors in delivering maximum benefits at a local level’⁷⁵.

The SGF governance design endeavours to create this ‘missing middle’. In the beginning of the project the labour intensity of this role was not well understood. Governance by the EE was envisaged as a light touch with one person working as a project manager to disperse funds, manage contracts and oversee monitoring and compliance⁷⁶. In reality it required a lot more understanding of the different institutional cultures. Although the EE had a lot of experience in climate financing, it had not worked with grant making or community projects before⁷⁷. It seems as if both the NIE and EE underestimated the level of labour that was needed to manage the SGF and the capacity support that SGRs would need to navigate the different financial contexts. Additionally, the financial system that is currently in place for the SGF is clearly not working.

Reporting against ESPs and Gender Policy

Like the ESPs (see above), the gender policy of the AF is also seen as innovative because it attempts to move the monitoring of gender equality from simple gender representation to gender empowerment⁷⁸. The ESPs were developed to safeguard civil society against large-scale climate adaptation infrastructure projects but in the SGF they were being piloted for small scale community projects. Experiences of EE, FAs and SGRs were mixed, as expressed below:

- SGRs and FAs say they learnt a lot from the ESPs but also argue, that this does not mean that they should have been applied in the way they were, which led to relationships and trust being eroded.⁷⁹. For example, it is tradition in many African cultures that young men go through an initiation ceremony. During this time it is forbidden for the men to do heavy labour such as working in gardens or construction. In one of the SGF reports this was cited as a reason for

⁷³ Interviews PMT, August 2020

⁷⁴ Omari-Motsumi et al, 2018

⁷⁵ Omari-Motsumi et al, 2019, p. 2.

⁷⁶ EE and FA interviews, July – August 2020

⁷⁷ EE interviews, August 2020

⁷⁸ Colvin, J. et al, 2020 .,

⁷⁹ Swilling et al, 2019

delay. In response, the NIE requested that, as part of the ESP reporting, all cultural ceremonies that might lead to a delay, need to be reported⁸⁰.

- The SGF management system felt that the ESP demands were disproportionate to the size and timeframe of the projects⁸¹.
- It was felt that the ESPs cascaded the responsibility of rights-based or civil education and women's empowerment onto the SGRs which, in a patriarchal society, is a long term and complex objective that can't be tagged onto a climate adaptation project as a small addition. "The livestock owners are mostly men, but in this project we tried to say we must try to work with women. Some men felt undermined because they *own* this livestock. They go back to talk to their wives; but men are the owners. But because they need help from the project, they just take it – but you can tell from their faces they're not buying it."⁸²
- Labour practices within an informal economy do not necessarily comply with the legislative law on employment. In poverty-stricken areas, communities often develop their own rules of employment to spread the meagre resources across villages and vulnerable families.
- Not all communities identify with the title of 'indigenous people' and reject the idea of indigenous as a politically expedient term that can be objectified. In Namakwa, some communities took offence to their practices being referred to as indigenous⁸³.

Capacity development, learning sharing and communication

The SGF was designed to be a pilot project which suggests an experimental approach with lessons learned being carefully documented for adaptation and replication. Components 2 and 3 of the project speak directly to building capacity. Component 2 speaks to empowering local organisations and component 3 speaks to generating lessons around enhanced direct access for South Africa and the broader climate adaptation community.

In the SGF proposal learning is highlighted as one of the important factors that will lead to success of the project:

"It is believed that one of the most important factors of success for the SGF will be its processes of project identification, development, review and learning, and the processes that are put in place to build local capacity and support project implementation. These have been carefully addressed in the design of the project."⁸⁴

Under component 3, the design of the SGF to ensure learning was to include:

- Ensuring that local organisations play an effective role in supporting project development and implementation
- Documenting the process to ensure that lessons learned inform the methodology
- To support both the above, a practitioner's forum (to discuss effective processes of community empowerment and challenges) and a community forum (to discuss adaptation challenges, integrated adaptation strategies, share local knowledge and share learning across districts) was to be established.

⁸⁰ EE & FA interviews, August 2020

⁸¹ EE & FA interviews, August 2020 NCFAB interviews, September 2020.

⁸² SGR interview, July 2020

⁸³ SGR interview, August 2020

⁸⁴ Adaptation Fund: South African Proposal, p 4

- Independent learning processes were to be facilitated to reflect on implementation successes and challenges and develop insights.
- Learning outputs would include local government response strategies to inform provincial adaptation plans
- Policy recommendations will be developed to inform South Africa’s processes of climate finance establishment with the view of creating a long-term small grant facility to support climate adaptation to vulnerable communities.

During the early stages of the project, an independent process facilitator was contracted to develop a learning, knowledge management and communications strategy for the project. She remembers how excited the EE was to include a well thought out learning strategy within the project⁸⁵. The strategy included a focus on knowledge management and provides the following logic for why attention should be paid to knowledge management (KM), learning and communication:

“Due to the innovative nature of this work (SGF and climate finance in SA), the newness of the partnership undertaking it, and the fact that partners themselves have different levels of experience in this kind of work, it is anticipated that this project will involve extensive adjustment and adaptation to realities as they emerge, will generate a great deal of ‘new’ knowledge that is of potential value to both project partners and even others, further afield. Therefore, and while not excluding other forms of knowledge generation, in this project KM emphasizes learning from experience.”

It also argues for two core values within the context of treating knowledge as a strategic asset:

- This system will see the generation of learning and collection and sharing of knowledge internally and externally – done in such a way that includes all affected parties and for the benefit of staff, stakeholders and projects.
- A culture of sharing and habitual learning is essential for ensuring that experience and tacit knowledge is surfaced and made explicit, turning it into shared knowledge; and that there is interaction between the people who hold and those who need knowledge. This can be done collectively and inclusively, in-person, through routine capturing and sharing, and through creating a clear understanding of where to find said information.

Unfortunately this strategy was not finalised or implemented. The MTE (done in 2018) reported that the learning budget had been mostly underspent and argues that this is consistent with the need to still develop a coherent strategy for learning⁸⁶.

⁸⁵ Independent consultant interview, September 2020; SGF, 2016. Draft Learning, knowledge management and communications strategy.

⁸⁶ Soal & Diedricks, 2018

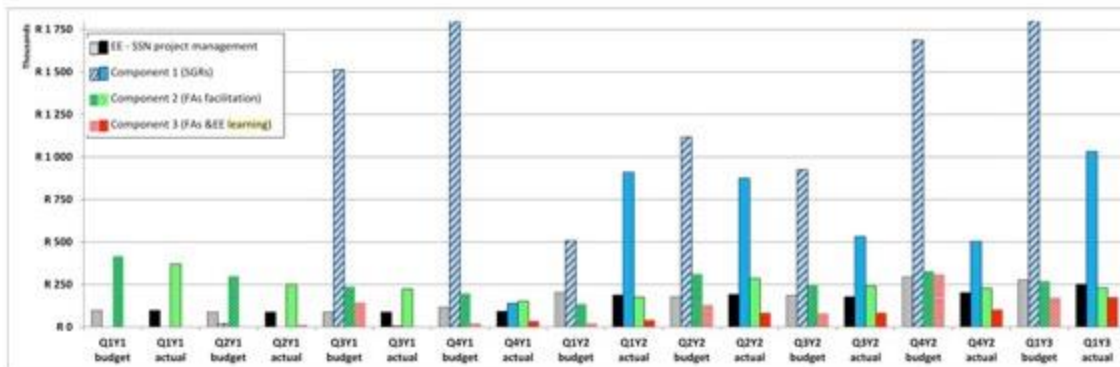


Figure 1. Summary of the budget and actual spending for the EE Project Management and for the three components of the SGF project.

Each "window" in the figure shows the budgeted and actual for one quarter, from Quarter 1 in Year 1 (Q1Y1) to the start of Year 3 (Q1Y3). Filled bars represent the actual, whilst dotted or striped bars represent the budgeted amounts.

After the MTE more energy was put into learning. The experiences of developing a learning strategy are documented below:

- It was felt by staff within the management system that not enough planning preparation went into designing a learning process at the beginning of the SGF and as a result there was a lack of a coherent approach. As mentioned above, a draft learning strategy was put together but not implemented.
- There was a need for more experienced staff to lead these learning processes early on with CHoiCe Trust as the only organisation that understood this well and understood the difference between forms of learning and capacity development⁸⁷.
- There was a lack of flexibility within the SGF system that made it difficult to make any changes to the learning process as this would involve adjustments of approach, and targets which was laborious and effort intensive making it difficult to do timeously and in response to needs as they arose⁸⁸.
- EE did attempt to implement the early draft learning strategy which was handed over to the knowledge management hub within the EE. It tended to focus on knowledge management at a high strategic level and did not provide a practical plan for capacity building and learning approaches.
- When new staff members were bought on board in the EE with community experience, they developed a new learning strategy. Different reasons are given for why it took a year to clear the learning budget. On the one hand, reasons given for the delay were that the NIE would not clear funds for the learning strategy until the Learning strategy met their approval but, "they kept asking for something different but could not give guidance as to what this was". On the other hand, it is argued that the EE did not present an adequate Knowledge Management Strategy and approvable Learning Strategy. Again this points to how important it is to have a workable and trusting relationship between the EE and the NIE as tensions and misunderstandings led to significant delay. It is not possible to make an evidence based

⁸⁷ EE Interviews, August 2020

⁸⁸ EE, FA and SGR interviews, July – August 2020; Inter-district Learning Reports, 2019

judgement on what it was that created these tensions within the different organisations and between them. What is clear is that tensions of this nature led to delays that had a detrimental effect on the project.

- The learning strategy was never accepted and the SGF management system reverted to motivating for once off learning events which some felt fragmented the learning approach further with most Mopani learning events being approved but no Namakwa learning events being approved.
- The delay in cross-project learning was due to many SGR projects starting in the second half of the SGF.
- The district learning events were a highlight for the SGRs and SGBs.

4.3 Mopani

4.3.1 Stage 1: from an idea to a concept

In September/October 2015 criteria were developed for SGR projects in Mopani and a call for concepts put out. CHoiCe Trust convened a briefing session which was attended by many local organisations, most of whom focused on social development rather than climate change, agriculture or environment. Already it was clear that the SGR criteria would exclude many good potential projects. For example, most organisations did not have audited financial statements.

Over 40 organisations responded to the project call, of which 14 were recommended by CT and the Mopani TAG to PAG. Of these, only one (Mpfuneko) met the criteria and was approved by PAG for proposal development. (In the end Mpfuneko's project was not implemented as they withdrew during the contracting Phase in 2017). Five other SGRs were shortlisted and supported to rewrite their concepts. These were Kxanimamba, Holani, Ramotshinyadi, World Vision and Tsogang. In February 2016, the NIE and DEA identified investment window gaps in Mopani projects – they needed more projects in the 'climate-resilient livelihoods' and 'climate-proof settlements' investment windows. Exilite and Modjaji 5, who had submitted concepts in Dec 2015, were approached and agreed to develop proposals, although Modjaji 5 shortly withdrew.

By the end of March 2016, concept proposals had been submitted for 7 projects: Mpfuneko, Kxanimamba, Holani, Ramotshinyadi, World Vision, Tsogang and Exilite.

4.3.2 Stage 2: From an approved project concept to a detailed project proposal

In July 2016, a delegation including NIE, EE, DEA, CT and agriculture experts visited the proposed project sites to provide guidance for Phase 1 implementation "to improve their proposal through engagement with different experts"⁸⁹. During this time the SGRs would be assisted to develop detailed plans and budgets, as well as do some background work that included, for example, hydrological surveys. R25 000 was allocated to each SGR to do this. Already there was a mismatch between available resources and project deliverables; this money was insufficient as the hydrological surveys alone cost between R20k and R25k. It is also noted that some key things – such as securing water use licences – did not happen during this time period, further delaying project implementation once the final proposals were approved. This

⁸⁹ SGR interview, July 2020

phase, which was anticipated to be 6 months only ran for 3 months – from 1 Feb to 1 May 2017 for Exilite, and from 1 Aug to 1 Nov 2016 for all other projects. It started a full four months after the revised concept notes had been received and ended almost a year after the first concept proposals were submitted.

4.3.3 Stage 3: Contracting

The time elapsed between the end of Phase 1 and starting to implement the projects (Phase 2) is considerable – between eight months and one and a half years. During this lengthy unfunded period, proposals were approved – first by PAG, then by NAFAB – and contracts signed. From final approval to project start there were also considerable delays. For one SGR this took almost a year as they were waiting for a tax clearance certificate.

SGR	Phase 1 end	Proposal approved by NAFAB	Project start (contract date)	Time elapsed	
				Phase 1 end to start (months)	Approval to start (weeks)
Khanimamba	1 Nov 2016	25 July 2017	16 May 2018	18.5	42
Holani	1 Nov 2016	24 April 2017	1 July 2017 ⁹⁰	8	10
Ramotshinyadi	1 Nov 2016	24 April 2017	1 July 2017 ⁹¹	8	10
World Vision	1 Nov 2016	16 Jan 2017	1 July 2017	8	22
Tsogang	1 Nov 2016	26 Jan 2017	1 July 2017	8	22
Exilite	1 May 2017	29 May 2018	2 July 2018	14	5

Table 7: Contracting time-frames⁹²

The arduous contracting process had consequences: three of the seven organisations pulled out. It was only through care and reassurance by the FA and EE that two – Exilite and Ramotshinyadi – agreed to continue. Mpfuneko had not been involved in Phase 1 and could not be persuaded to reconsider, in part because money for administration was capped at 9%, which was too little to cover their costs, and the issues around securing a project site and community mandate. Thus six SGRs were contracted to implement local-level adaptation projects in Mopani.

4.3.4 Stage 4: Implementation, Monitoring and Reporting

Of the six contracted SGRs in Mopani, four made it to the end. The first to terminate was World Vision South Africa. In May 2018, following discussions between CT and WWSA regarding their non-reporting, limited project progress and financial irregularities, the EE embarked on a formal process with WWSA to develop a ‘Turn Around Strategy’. This proved unsuccessful and on 5 Sept 2018, the project was formally terminated. All unspent funds were returned to the EE. The second casualty, Khanimamba, was also linked to financial irregularity – this time in relation to procurement. A number of interviewees argued that this case was less clear cut than WWSA, that there were mitigating contextual circumstances, and that the termination could have been avoided had there been more time available to support and capacitate the SGR going forward. However, given the short time frames, an exit strategy was devised and CT took over the coordination of the project. The planned communal garden was discontinued, the

⁹⁰ Started in Oct 2017 according to close-out report

⁹¹ Started in Oct 2017 according to close-out report

⁹² Data in columns 3, 4 and 6 taken from EE spreadsheet: SGR Approval Timelines

nursery and store-room demolished because the structures were poorly built and unstable, and reusable materials such as shade-netting given to backyard gardeners who continued to receive support.

Implementation in the four projects that continued was challenging but bore fruit. Land was secured, fenced and contoured; rainwater harvesting, storage and irrigation systems refurbished or installed; boreholes dug and water use licences secured; trees and vegetables planted; nurseries established; cooling and storage rooms built; bank accounts opened; training attended; markets accessed; networks strengthened and so on, with the result that beneficiaries and their animals have more reliable access to nutritious food and clean water. This is a huge achievement.

One of the food-growing projects attributed their success to research and networking. They had attempted a similar project before which failed, when their drilling produced no water. This time, it was a success:

“It worked the second time because of research and the networking. The first time we never had information. Yes, it was a lot of paperwork, but it was research we were doing and visits to other similar project. This is what made the project succeed.”⁹³

Administrative and governance challenges with the project did not end once contracts were signed. In particular cash flow and lack of SGR control over budgets was problematic and inhibited capacity to adapt timeously to local situations. For example, one of the projects had a challenge of a borehole no longer providing water. There were discussions locally as to whether the problem was a broken pump or that the hole was dry. The SGR advised that a new borehole should be drilled, but initially money was not released for this. Instead the FA/EE advised enhancing the rainwater harvesting system, which the SGR deemed unsustainable due to poor rainfall. The SGR decision making process was cumbersome: “There are too many layers. I believe as project manager I should have the final say based on the proposal and if there is funding there, because I am on site and I know what it needs.”⁹⁴ The result of the slow decision-making was that the SGR asked another partner to fund the drilling, which they did. The financial disbursement systems also created a situation of dependency:

“We felt like children asking for money every day from our parents and you still have to wait for the parent to think, and then you would get your money.”⁹⁵

ESPs and reporting were onerous, confusing and often unhelpful. One thing did emerge – and that was learning to adapt to administrative conditions. For example, one SGR planned their project so as to require only permits, which were relatively quick and easy to obtain, rather than licences⁹⁶.

In Mopani, licences and/or permits were needed for water, certain trees, to occupy/use land, for buildings/ construction and for suitability of land location because of animal rearing and risk to people. They mostly took a long time to get – up to a year⁹⁷. More than that, what did – and did not – require a license was a point of contention between SGRs and the FA/EE. Two

⁹³ SGR interview, July 2020

⁹⁴ SGR interview, July 2020

⁹⁵ Beneficiary focus group, July 2020

⁹⁶ SGR interview, July 2020

⁹⁷ FA interview, July 2020

examples: one for moringa trees (Exilite), the other for water in a dam (Tsogang) – in both cases the SGR said a licence wasn't needed but the onus fell on them to prove it wasn't needed rather than project governance structures to prove it was.

“Based on our WASH sector knowledge we know the requirements, but then other project stakeholders said we need a water licence. We know their [dam] capacity is limited to so many litres, so they don't need a water licence – but others said you do. This was the biggest challenge. It delayed the whole thing. Communities started asking about our promises: ‘you've said we're starting; why this long process?’ To move forward, we cooperated with people looking for some of these documents, especially the FA. We took the Department of Water, as custodian, to look at the dam and went through the process, filled in the forms until they gave us the letter said ‘you don't need a WUL’ because capacity of dams is too low. We gave this letter to the FA and moved on from there.”⁹⁸

The two SGRs were right in each case, which indicates that local knowledge was ignored. In two other cases (Ramotshinyadi & Exilite), the approval to use borehole water came quickly. It was acknowledged as schedule 1 water use.

Effective community governance is worth highlighting as critical to successful implementation. Beneficiaries and SGRs were mindful of local decision-making structures and used them to their advantage. For example beneficiaries in Mamanyaha Village developed a group constitution which they lodged with the Induna. When a beneficiary member threatened to cause trouble, they used this authority to help contain the situation⁹⁹.

4.3.5 Stage 5: Closure

SGRs submitted close-out reports towards the end of 2019. These went through numerous iterations and were signed off approximately eight months later in mid-2020. Close out reports made several observations and recommendations, among them a plea for longer term projects, arguments for the importance of focusing on women as custodians of natural resources is crucial, following an integrated approach (where outputs from some projects serve as inputs to others), the importance of co-funding, careful analysis of project stakeholders that can make a difference to their success or failure at the start, the realities of seasonal time availability, for example family time demands during December when family members working and living elsewhere return home and arguing that project timelines and personnel budgets should be extended when delays are caused by slow procedures by top actors. These are taken as inputs into the final recommendations.

Although the projects were closed, representatives from each of the SGF groups in Mopani felt that the implementation time had been too short. Many projects could have used extra resources to continue the work, and undisbursed money remained in their budgets, see Table 7.

At the time of close-out, a number of factors were in place that are likely to either enable, or inhibit sustainability of the projects. These are discussed in Section 6.1: Risks to Sustainability.

4.4 Namakwa

⁹⁸ SGR interview, July 2020

⁹⁹ SGR and beneficiary interviews, July 2020

4.4.1 Stage 1: from an idea to a concept

An important enabling factor can be seen in an extensive prehistory¹⁰⁰ to the Namakwa projects, that preceded the specific project ideas and formulations. Ideas for projects were therefore available as a result of prior work. The prehistory includes the presence in the area and involvement of Conservation South Africa (CSA), working in the area since 2001, supporting communal livestock farmers since 2006, and with a focus on climate change since 2009.

In 2012, CSA conducted a climate change vulnerability study for the Namakwa District Municipality¹⁰¹, and in 2013, CSA began a stakeholder engagement process, engaging with local government (7 LMs and 2 DMs) in 9 workshops, with the aim of integrating climate change risks and opportunities into municipal planning (IDPs).

In November 2013 CSA and the NIE started a stakeholder mapping and engagement process with the Northern Cape Regional Network (NCRN), a network of NGOs and CBOs active across the Northern Cape (in Cape Town). It included the NDM. The NCRN was asked to comment on an initial stakeholder list compiled by CSA and the NIE. In February 2014 a second, larger stakeholder engagement session was held in Springbok, attended by 61 representatives of 38 locally active institutions. At this meeting the stakeholder mapping was completed. The meeting also built awareness that there would be a future call for proposals. Many participants began to engage with the Facilitating Agency on potential project development.

However, the first call for concepts in Namakwa was made in September 2015, for a deadline of 6 November 2015. This was 18 months after the briefing meeting in the district that had been held in February 2014, which meant that much of the momentum of the earlier meeting and subsequent engagements with participants was lost¹⁰². Concepts were approved in December 2015.

4.4.2 Stage 2: From an approved project concept to a detailed project proposal

According to a case study by the FA (CSA) in 2018¹⁰³, applicants struggled with 1) proving that they were a climate change adaptation project, 2) that their proposal was for an efficient use of funds, 3) that it complied with all required safeguards and 4) that it would be sustained after funding finished, and some technical requirements. It was not clear to the FA how much support they should receive (that is, what would count as giving them too much support). In April 2016 four projects were approved, namely EMG, Gondwana Alive, Heiveld Co-op and Save Act, and one (Abalobi, working with CLF) was requested to revise and re-apply. The approved projects official start dates were April and May 2016, although their contracts were only signed several months later in August and September.

A second call for proposals was made in February 2017, focused on climate resilient livelihoods and climate-proof settlements (which were under-represented at that stage). Having learnt from the first round, the process was simplified, more supportive expertise was provided

¹⁰⁰ From the project proposal document “Proposal for South Africa”, (full name is “Taking Adaptation to the Ground”, dated 17 September 2014, discussed at Adaptation Fund Board Project and Programme Review Committee meeting October 2014.

¹⁰¹ Annex ii.2 Namakwa Profile Vulnerability Assessment

¹⁰² Namakwa case study. “Participatory Project Development for Small Grants: Lessons from the Small Grants Facility Project funded by the Global Adaptation Fund”, 28 January 2018, written by CSA.

¹⁰³ *Ibid*

in workshops, including from the Agricultural Research Council, universities and the Namakwa DM.

4.4.3 Stage 3: From Project Approval to Contracting

The 2018 Namakwa case study by the FA (CSA)¹⁰⁴ found that: “The criteria required by Global Adaptation Fund for granting are extensive and small community groups in Namakwa were found often not able to meet these criteria, for example, in terms of having the requisite tax clearance, or audited financials. This led to some of the biggest delays in moving to implementation and to avoid negating the "time-saving" that the 2014 workshop process had provided, a review of how to address these issues is recommended. One option put forward in the case study is for an FA or the EE to “incubate” a project until all the necessary capacities are in place for good project delivery.” Another option could also be to organise a similar workshop with the correct authorities to “fast-track” some of the administrative hurdles needed for contracting.”¹⁰⁵ An interviewee (FA) commented that even before calling for proposals, a project like this could rather screen organisations and build capacity so that the proposal process is easier.

“Two of the SGRs were approved by PAG in June 2017, and finally by the National Climate Fund Coordination Committee (NCFCC) in July 2017. One of the SGRs was required to provide more details in their proposals. There was however delays in contracting of SGRs from the time of approval which took for some SGRs up to a year between approval and contracting.”¹⁰⁶

SGR	Proposal approved by PAG	Proposal approved by NAFAB	Project start (contract date)	Time elapsed (weeks)	
				PAG to NAFAB approval	NAFAB approval to start
CLF	11 May 2018	11 June 2018	01 July 2018	4	3
CLB	03 July 2017	25 July 2017	28 May 2018	3	44
EMG	14 March 2016	21 April 2016	22 April 2016*	5	0
GA	14 March 2016	21 April 2016	21 April 2016*	5	0
Heiveld	14 March 2016	21 April 2016	21 April 2016*	5	0
KHF	03 July 2017	25 July 2017	02 July 2018	3	1
SaveAct	14 March 2016	21 April 2016	12 May 2016*	5	3

* these contracts were only signed in August / September, later than the start date

Table 7: Contracting time-frames¹⁰⁷

4.4.4 Phase 4 – implementation

Some aspects of implementation proved highly successful, reliant on both local and expert knowledge. For example, in the Gondwana Alive project, vulnerable commercial breeds were to be replaced with sheep with 50% Damara genetics, and indigenous goats crossed with Boer goats, combined with better grazing management, and involving youth. Farmers agreed that rams would spread the genetics faster than introducing ewes. Some efforts were complicated by seasonal factors – for example a drought that undermined mulching efforts. Yet it forced

¹⁰⁴ *Ibid*

¹⁰⁵ *Ibid*

¹⁰⁶ *Ibid*, p.10.

¹⁰⁷ Data taken from EE spreadsheet: SGR Approval Timelines

the project to learn about and experiment with different mulching techniques, and discovering the most efficient ways.

But not all aspects made sense for beneficiaries during implementation. An interesting example was the ESP requirement for labour contracts. This is not part of the practice in employing herders in Namakwa, many of whom are not literate. There are also cases in which their employers pay their wages directly to their families, as the herders themselves may be irresponsible with money. This is an example of a requirement for a contract between farmer and herder that makes sense on paper, but not in the local context which could be characterised as a benevolent paternalistic system. Gender requirements were also difficult to achieve due to (patriarchal) local land use systems. The close-out report explains that wives who farm with their husbands did benefit, but not directly. The requirement to be registered as land-owner meant women did not qualify, due to land holding system which could not be changed during the period of the project.

Another example was the design of shelters for livestock (Concordia), which required engineering sign off, which resulted in redesign and higher costs, so fewer shelters emanated from the project (12 instead of the planned 24). Specific tensions emerged between these two knowledges, for example whether to give prime consideration to prevalent wind direction vs. north facing installation. The CLB close-out report describes the experience of beneficiaries in terms of “Indigenous knowledge vs engineering” very clearly¹⁰⁸:

“The management of CLB feels that a simple concept to improve the Concordia community’s resilience to climate change has become increasingly complicated and resulted in various unforeseeable project challenges. Time required to complete certain processes has resulted in strain on the project and less time being available for project implementation. The shelters were completed right at the end of the project and trainings were also conducted late in the project life cycle. The building of the community’s capacity to adapt to climate change through this project has been limited as a result.”

Many projects found administrative and reporting demands excessive and exhausting, as this excerpt from the Heiveld (Rooibos production) project attests¹⁰⁹:

“The other challenges experienced during the project were structural and administrative. The project demanded a lot more than anticipated from the implementing organisations, not least because the Adaptation Fund, the NIE, SSN and CSA between themselves made the processes of compliance and reporting fraught with complexity. From the demand to open a separate bank account to mounting reporting and financial reporting demands, the pressures were relentless. Other on-going work was compromised, and the demands did not stop when the funding for salaries had been expended. For EMG, these projects have cost far more than they contributed. We understand why all this was necessary but there has to be another, more enabling way of administering climate adaptation funding.”

4.4.5 Closure

In the Namakwa case, SGRs also submitted close-out reports towards the end of 2019, which went through numerous iterations and were signed off approximately eight months later in mid-2020.

¹⁰⁸ CLB Close-out report, 13 December 2019.

¹⁰⁹ Heiveld Close-out report, 19 November 2019.

As in Mopani, SGRs felt that implementation time for the projects were too short, for example to develop a prototype. They reflected on lessons learnt and best practices, and developed recommendations, which include the need for: more time to develop and test prototypes of physical assets like herder shelters (caravans), more decisions at local level, blending local and outside expert knowledge more effectively, time to test and demonstrate adaptations over several seasons, more consciously recruiting support from strong actors in the area for long term sustainability, reducing the burden of compliance, a better understanding of operational conditions on the ground (for example through field visits by top decision makers) and adding a performance management measure based on relationships enhanced or maintained in a community (taking account of social capital). These have influenced the final recommendations in this report.

The Heiveld close-out report ended with a critique within the broader climate change context:

“Projects are not the answer to our climate crisis, and the “start – stop” nature of all projects, and those funded by the Adaptation Fund SGF in particular can at best only be of limited help. Our question to SANBI, as the NIE, is this: what will SANBI and other organs of government do to ensure that the Heiveld Cooperative and other similar enterprises have access to appropriate resources (knowledge, finance, facilitation, capacity development, etc.) to enable them to continue learning and evolving in the future? This crisis demands a systemic response, and not a stream or a trickle of projects that can at best only address a limited set of challenges in a rather rigid way, despite the dynamic, unpredictable and fast-moving nature of the climate crisis.”

4.5 Financial evidence

Financial reconciliations and approval of Y5 expenditure were continuing at the time of writing this TE report. Nevertheless, as there were significant disbursements to SGR during Y5, we have included the most up-to-date figures, which have been compiled by the EE and sent to the NIE for approval. We have chosen to present this information in ZAR as it pertains to local, on the ground projects, and will be of particular interest to the SGRs. We include also a summary of annual expenditure per component in ZAR.

Where data is available from Annual PPRs of expenditure against outputs, we have used USD, as these are the official, approved numbers. This includes years 1 to 4, and is relevant to both South African and international readers.

Data for co-financing of the management institutions (NIE, EE, FAs) and PAG has been provided by the NIE and EE. It is presented in ZAR to ensure consistency across the data.

Unspent funds

At the time of writing, there are still unspent funds within the SGF grant. The most significant is due to underspending in Component 1 of approximately R1.94 million (10%) (see Figure 4).

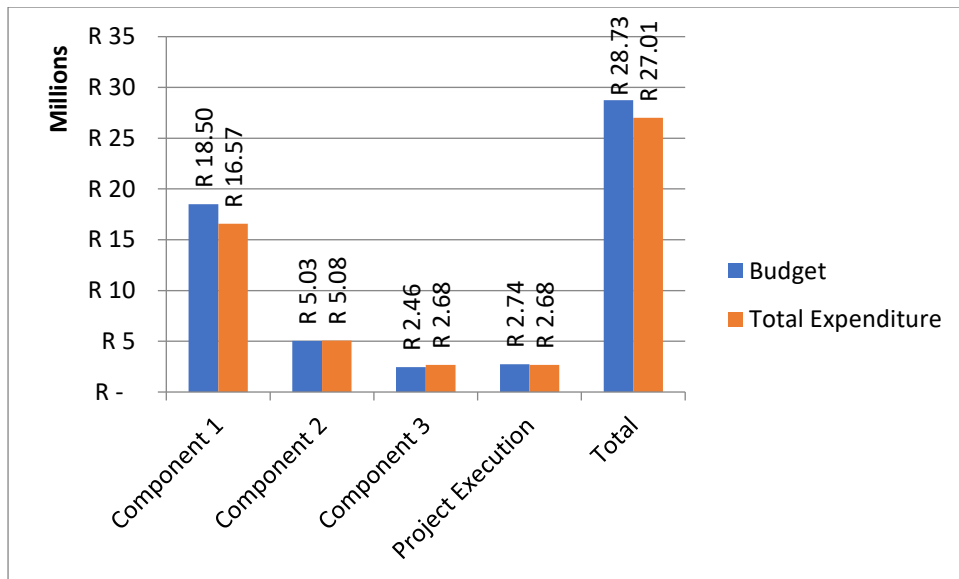


Figure 4: Total expenditure to Y5 per component in ZAR

This can best be understood by reviewing expenditure against the original budgets for the SGRs, where there is underspending of approximately R1.01 million (see Figure 5). The reason for the difference between this amount and the larger underspending in Component 1 is not apparent to the evaluators at this time. The bulk of unspent SGR funds is due to curtailing two projects in Mopani (in total valued at R2.59 million, of which R0.70m was spent). Approximately half of the money saved from this was used to supplement the other SGRs in Mopani and Namakwa, which had revised budgets by contract end. The EE consolidated a ‘wish list’ from the SGRs for additional funds; there was pressure to have a cut off time for this spending, which was initially March 2020 but extended to May 2020¹¹⁰.

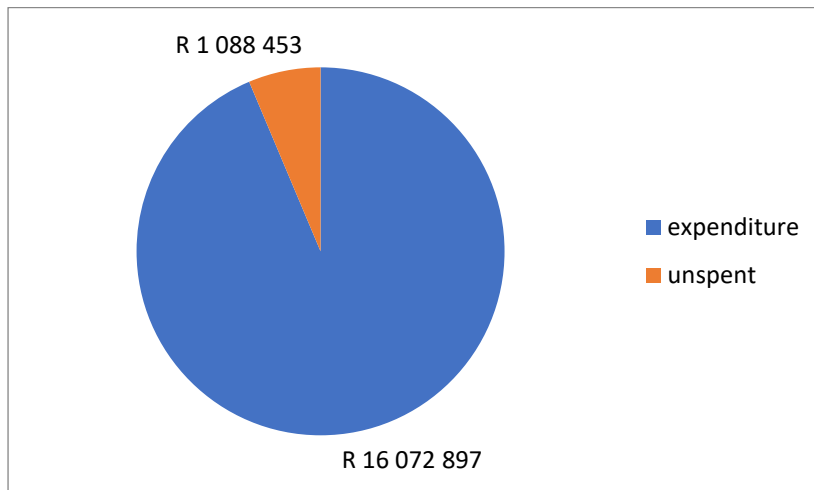


Figure 5: Expenditure and unspent funds against original total budget for SGRs in Namakwa and Mopani

¹¹⁰ EE Interview, November 2020

Figure 6 shows expenditure over the five years of the project. As can be seen, the bulk of Component 1 was spent in Years 3 and 4; and component 3 in Year 4.

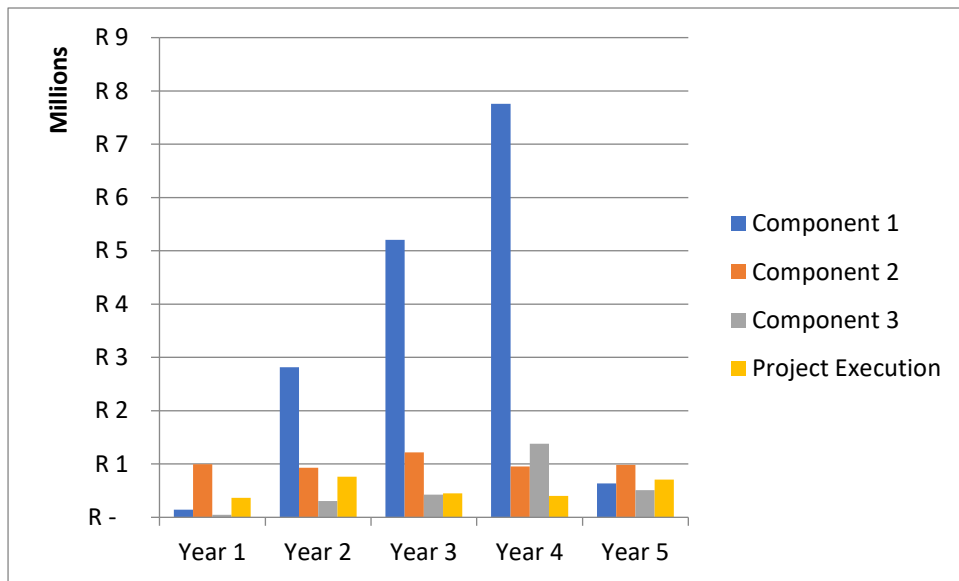


Figure 6: Annual expenditure per component in ZAR

This information is broken down further and shared per output in USD (See Figure 7). The outputs are described below for ease of reference:

- Output 1.1: Adaptation assets strengthened through the implementation of at least 12 small grants (approximately USD 100,000 each) disbursed to at least 12 local institutions in the Mopani and Namakwa District Municipalities
- Output 2.1: At least 12 local institutions in the Mopani and Namakwa Districts are supported to develop small grant projects for local-level adaptation
- Output 2.2: At least 12 local institutions in the Mopani District and Namakwa District are supported to implement integrated climate adaptation responses
- Output 3.1: Training opportunities are provided for Small Grant Recipients
- Output 3.2: Local networks for reducing climate change vulnerability and risk reduction are developed, expanded and strengthened
- Output 3.3: Case studies and policy recommendations are developed for reflecting on, replicating and scaling up small grant financing approaches

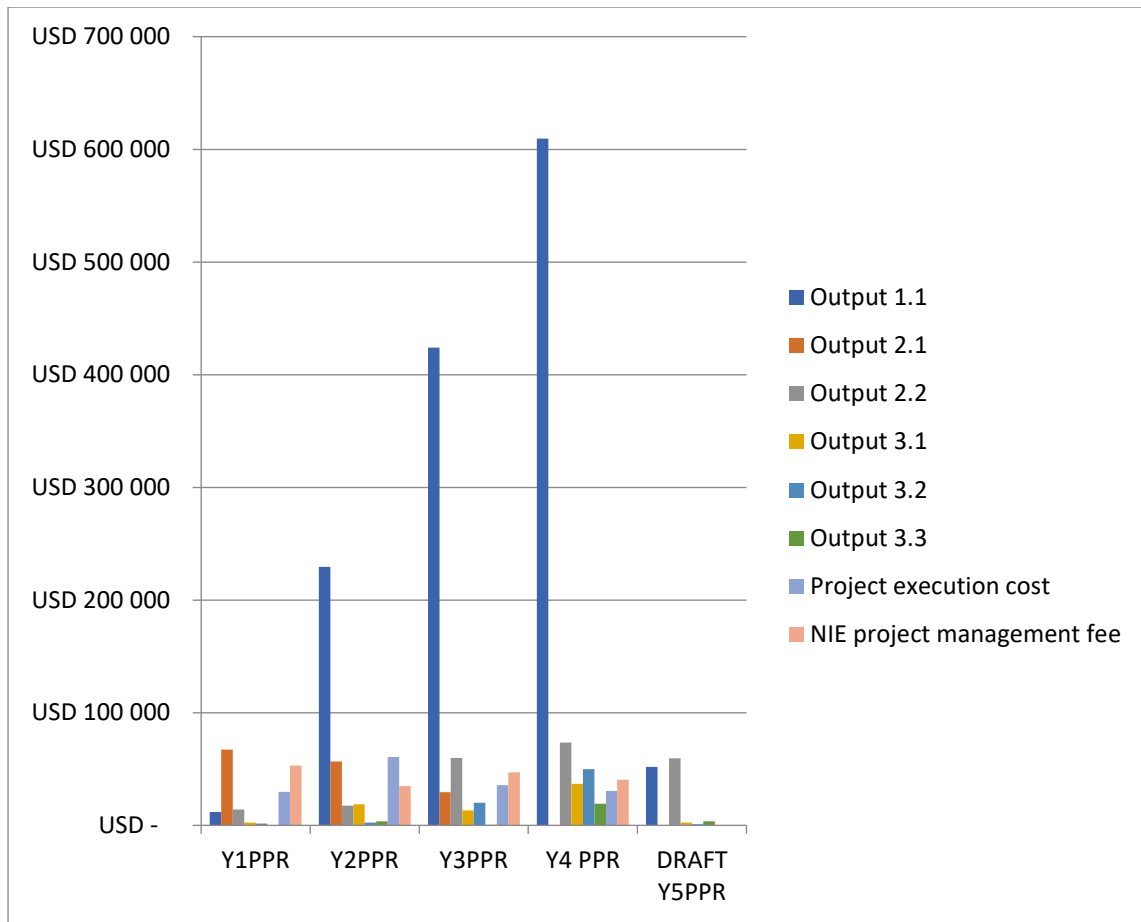


Figure 7: Annual expenditure in USD for outputs, execution and management fees

A summary of total expenditure to Y4 against budget in USD is presented in Figure 8.

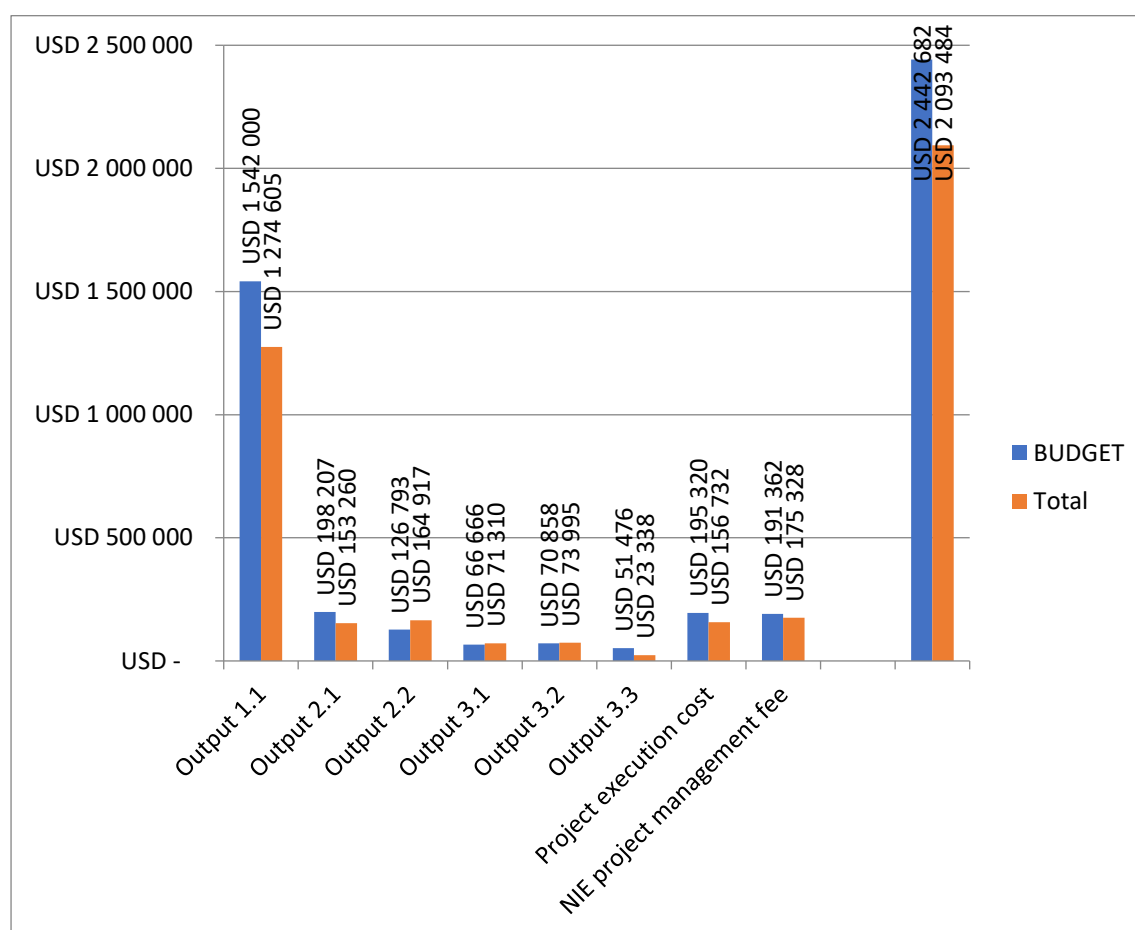


Figure 8: Total expenditure against budget outputs, execution and management fees to Y4, in USD

Co-financing

Considerable co-financing has been contributed by all of the organisations involved in the SGF Project, including the evaluators. In some instances, this was agreed up front, such as contributions from government departments through expertise and participation in advisory groups. In other instances it was the inevitable result of budget caps that provided inadequate finance for key functions, such as project execution and administration at the level of EE, FA and SGR. The numbers below provide a better estimation of the ‘true cost’ of implementing the SGF than the AF budget alone. The total cost presented is an underestimation because it does not include co-financing by the SGRs or other service providers.

The co-financing figures below are based on submissions received from the NIE, EE and Facilitating Agencies, for the period from project inception to the end of Year 5.

Governance level	Contracted budget	Co-finance (R)	Co-finance (%)
NIE - SANBI	R 2 645 904	R 13 318 781	503,37
EE - SSN	R 2 740 645	R 6 121 773	223,37

FA	R 6 072 495	R 3 701 615	60,96
<i>CHoiCe Trust</i>	<i>R 2 975 925</i>	<i>R 729 109</i>	24,50
CSA	<i>R 3 096 570</i>	<i>R 2 972 506</i>	95,99
PAG	R -	R 563 290	
Mopani TAG	R -	R 377 763	
Namakwa TAG	R -	R 75 553	
Total		R 24 158 776	

Table 8: Co-financing by SGF management institutions

Part C: Evaluation and Recommendations

5. Evaluation of project outcomes

5.1 Introduction

Given the short time period of this project and that the SGF was being developed from scratch, what was achieved in relation to each outcome is considerable. All organisations that contributed to this project have worked way over the time allocated and contributed significant resources both financial and in-kind to the success of the SGF (see Table 8). Below the evaluators consider what has enabled and inhibited progress against these outcomes for the purposes of learning from this pilot project. Finally, we review progress towards outcomes in relation to the AF rating criteria.

5.2. Outcome 1

Outcome 1: small grants support concrete adaptation measures that strengthen livelihood strategies, adaptive capacity, infrastructure and assets in two district municipalities in SA.

This outcome sits under component 1, which refers to grants provided to the SGRs. The project was widely praised by both beneficiaries and observers, for its willingness to invest money in concrete assets for communities in the two districts. It also undertook to strengthen adaptive capacity through the processes of co-creating these assets with communities. The process was designed to strengthen livelihoods as well as commercial production at collective scale. The bulk of the funding – around 60% – was allocated to this component.

Relevance to climate change impacts

The tangible assets were designed¹¹¹ to respond directly to climate change impacts, such as:

- increasing temperatures (livestock shelters, herder shelters, cooling facilities for food traders, shelters for vegetable production, shade-cloth for nurseries, charcoal cool rooms);
- production under adverse circumstances resulting from climate change (drought resistant crops, improved agroforestry, agro-ecology, improved soil management, improved water management and storage),
- rougher seas as a result of climate change (coastal protection and safety at sea systems for artisanal fishers),
- household needs (houses with improved insulation, improved water storage),
- strengthening livelihoods in general (savings clubs)
- and strengthening (very) local institutions (fisher and rooibos production co-operatives),
- while strengthening adaptive capacity and resilience through the processes of creating these assets, for example the caravans for herders in Namakwa and the refurbishment of small dams in Mopani.

The tangible assets were therefore highly relevant to climate change impacts and people’s priorities on the ground. Vulnerability categories were derived from the Vulnerability Assessments and then established as the “investment windows” within which each grantee was required to apply. This was outlined in the AF proposal and was therefore part of the SGF project design. Every project fits into at least one investment window, some multiple, because it was a granting criteria. These categories were refined into actual indicators, as reported in the PPR in three categories, “number of agricultural adaptation assets”, “livelihood adaptation assets” and “settlement adaptation assets”.

Achievement against project targets

Beneficiaries were composed of 1083 women and 838 men against a target of 1334 women and 1126 men¹¹². The achievement of assets against targets is presented in the table below, with green indicating targets met or exceeded and orange indicating targets not met.

Agricultural adaptation assets					
Description	Target	Achieved	Description	Target	Achieved
livestock shelters	12	2 ¹¹³	tanks for water storage for small-scale farming	36 ¹¹⁴	26
poultry houses	2	2	reservoirs for water storage	2	2
climate resilient livestock	65	89	nurseries	5	4
climate resilient grazing plans developed	3	3	ha under improved soil management	9,95	3,97

¹¹¹ Adaptation Fund: Proposal for South Africa, 2014

¹¹² SANBI, Y4PPR, August 2020; updated with information from the EE *pers. comm. November 2020*

¹¹³ Although Y4PPR reflects only 2 shelters; 12 were concluded in Y5, hence we have coded this target as ‘green’

¹¹⁴ This achievement is coded ‘green’ because the target is incorrectly recorded as 36 and will be revised to 26 in the Y5PPR, EE *pers. comm. December 2020*.

ha under climate smart farming practises	100	23,30	ha under improved agroforestry	5,8	3,72
communal climate resilient food gardens	6	3	ha of improved drought resistant crops	6,05	3,97
ha communal climate resilient food gardens	7	3,97	ha under improved water management	8,95	3,97
backyard climate resilient food gardens	110	80 (69 harvested)	biogas digester	1	1
tanks used for rainwater harvesting for small-scale farming ¹¹⁵	36	17	solar drier	1	1

Livelihood adaptation assets			Settlement adaptation assets		
<i>Description</i>	<i>Target</i>	<i>Achieved</i>	<i>Description</i>	<i>Target</i>	<i>Achieved</i>
savings groups	30	30	houses with improved insulation	14	15
water committees	1	1	tanks used for domestic rainwater harvesting	140	154
storage and processing sheds	3	3	installed compost toilets	4	3
enhanced early warning systems for fishers	1	1	mobile herder shelters	12	13
disaster risk response mechanisms for fishers	1	1	earth dams refurbished	2	2
capacitated climate resilient small-scale fisher cooperatives	2	2	donga/gullies rehabilitated	5	5
shelters for vegetable production	4	4			
cooling facilities for food traders	2	2			

Table 8: Number of assets achieved through the project against target¹¹⁶

All of the livelihood and settlement adaptation assets targets were met or exceeded, except for one compost toilet. One of the asset targets for ‘agricultural adaptation’ was exceeded (number of climate resilient livestock), six others were met in Y4 and another two in Y5. The number of hectares under various forms of smart agriculture was ambitious and targets were not met, including communal climate-resilient food gardens. The most significant was that less than a quarter of the planned 100 hectares under climate smart agriculture was achieved. In part, the unmet targets can be explained through the curtailing of two projects in the Mopani district.

¹¹⁵ Although Y4PPR reflects only 17 tanks; 36 were completed by Y5, hence we have coded this target as ‘green’

¹¹⁶ SANBI, Y4PPR, August 2020

Below we assess the projects based on relevance in terms of i) adaptation response and ii) relevance of adaptation response in relation to the vulnerability risks identified at the start of the project.

Beneficiary responses

The assets created are clearly relevant to the beneficiaries to adapt to increasing impacts of climate change, and create more resilient livelihoods, as the following short discussions show.

In the two communities adapting together (Suid-Bokkeveld and Soebatsfontein) beneficiaries could choose between different assets. The vast majority opted for water tanks, rather than compost toilets, for example. The tanks play the role of buffering variable water availability through storage. They are filled from boreholes rather than rain because the Namakwa area has low rainfall¹¹⁷. The strong preference for these storage tanks emphasise that beneficiaries are focused on dealing with current and expected water scarcity, an appropriate response¹¹⁸.

Similarly, the ‘safety at sea’ assets (in Port Nolloth and Hondeklipbaai) are held in high regard by the beneficiaries, who have integrated the system (which enables a centre at the harbour to pinpoint the position of each and every fishing boat, and to communicate with them under conditions of rough seas or limited visibility due to mist) into their livelihoods¹¹⁹. The approach, including the use of purpose made communication technology, fits into a broader system in the ongoing Abalobi project of empowering fishing communities through Information Communication Technology that also includes monitoring fish stocks and can be used for direct marketing.

The permanent availability of water for rooibos tea processing (Heiveld co-op) makes a big difference to the farmers involved in the processing, as it cuts out a number of tasks associated with fetching water from distant sources. It improves their livelihoods.

There was also an enthusiastic response to the savings clubs in Namakwa, in terms of groups who wanted to join in, because it was fostering a new way of saving that had not been available in the area before.

Partnering one of the climate-smart projects with a Drop-in Centre for children in Mopani meant not only that the benefits (income and fresh vegetables) could be shared with the children, but that the garden became a source of pride and learning. According to an interviewee, the climate-smart assets such as solar-pump and biogas digester meant the children were “able to see all the things they were learning from books” could learn “about how nature works.”¹²⁰

One of the projects noted a risk associated with their solar pump, and said it would be better if they could use conventional grid electricity. “Our risk is that we are using a solar system to pump water. We don’t have backup energy – then we don’t have water because of the challenge of the solar. It would be user friendly if we could use electricity. If it breaks we have a

¹¹⁷ Interview with beneficiary/local management team, July-August, 2020

¹¹⁸ Local beneficiary interview, July-August, 2020

¹¹⁹ Interviews with beneficiary and safety at sea centre staff member, July-August, 2020

¹²⁰ SGR interview, July 2020

challenge, then the project will collapse.” This speaks not only to the choice of technology but also to how it has been chosen and transferred, and that the risks of a ‘climate-friendly’ option are sitting with the people it is supposed to empower.

Livelihood strategies

In addition to tangible assets, the SGRs made use of a number of other measures to strengthen livelihood strategies and adaptive capacity. These included:

- Exilite attracted additional funds for poultry, which provided eggs for income, and the poultry droppings fed the biogas digester, which fuelled cooking for children at the Drop-In centre. It helped close some of the loops in their agroecology system.
- Ramotshinyadi used prior knowledge and networks to send chillies to market in Pretoria which was a turning point for beneficiaries because it led to income which could be saved for lean times or used to maintain assets. They saw what was possible and were incentivised to keep going.
- Agroecology with vegetables, poultry, biogas digester, food preservation, rainwater harvesting, markets, income generation, maintenance, which created a circle where each activity or process supports the bigger system
- Using their projects as demonstration sites, for example to show others about climate-smart food-growing, including water management and solar pumps
- Safety at sea, which is crucial to reducing risk in fishers’ livelihood strategies
- Cross-pollination between projects – after learning events other Namakwa projects became interested in joining the Savings groups in another Namakwa project.

Commentary on enabling factors

The creation of these assets and livelihood strategies were enabled by the prior existence of organisations – both beneficiary organisations and NGOs working in the area – and the work they did. Some good examples include CSA, EMG & Heiveld (Rooibos), Abalobi (part of bigger programme dealing with fishers), Exilite, Vuhehli Drop-In Centre, Tsogang; and their programmatic work on climate change and/or livelihoods.

The asset creating process built on indigenous knowledge, for example local traditions of building mobile shelters, or repurposing second-hand vehicles as shelters, and the practical, technical knowledge that comes with it.

Tactical approaches developed by communities to survive dysfunctional government systems, especially local government in some areas, could be said to have served as a basis for building resilience to climate change.

These processes were well served by strong civil society with good relationships to local community organisations, knowledge of both local, national and international levels (e.g. climate adaptation discourse) and NGOs prepared to support communities outside project boundaries, e.g. tiding them over between disbursements using their own resources, and after the project is over.

Commentary on inhibiting factors

Inhibiting factors include technical requirements like engineering sign-offs, which in some cases undermined local capacity; delays in project disbursements, in particular the batching of disbursements from different organisations, and delays in making decisions when deciding about changes when these were requested from the ground.

Administrative requirements were high, and the FA had to intervene in many occasions at a basic administrative level to make it possible to meet these requirements – for example 3 quotations for small amounts, where there often was only a single possible service provider (e.g. transport). Beneficiaries were amazed at the number and difficulty of rules and regulations that came with the funders’ money¹²¹, and it had to be explained to them repeatedly. Some reported the emotional impact “we were made to feel as if they thought we were always planning to steal their money”. It would have been better to prepare the organisations over a period of a year for these requirements¹²².

The process was also a source of great frustration for beneficiaries who wanted to use materials and designs they were used to; and it had the potential of undermining local knowledge and future sustainability. It would be extremely unlikely that future efforts to adapt to climate change will be able to afford the level of technology, design and costs of materials that were used in the process. At times, it would seem that these requirements had more to do with compliance than building adaptive capacity.

Dimension	Discussion	Rating
Relevance	This outcome is a highly relevant response to climate change through direct grants to local organisations, investment in assets and support to livelihood strategies, as detailed in the text above.	Highly satisfactory
Effectiveness	The concrete adaptation measures invested in are likely to provide an effective buffer against climate change in the short to medium term and to enhance livelihood strategies. There were some trade-offs during the project which could inhibit effectiveness, for example know-how to maintain particular assets as a result of technology choices. Not all targets were met, which reduces the overall effectiveness of the intended outcome.	Moderately satisfactory
Efficiency	This project has delivered good results with the budgets they had available. Money was well accounted for. However, the high administrative requirements were time consuming and frustrating, and not an efficient use of time for many people. Furthermore, in some instances the technology choice and requirement for certified expertise took a high proportion of SGR budgets that they thought could be better used elsewhere (e.g. to expand the number/extent of assets).	Moderately satisfactory
Overall Rating		Moderately satisfactory

Table 9: Outcomes 1 ratings

Key

¹²¹ Beneficiary, SGR and FA interviews, July-August 2020

¹²² FA interview, July-August 2020

Highly satisfactory: The project/programme had no shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Satisfactory: The project/programme had minor shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Moderately satisfactory: The project/programme had moderate shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Moderately unsatisfactory: The project/programme had significant shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Unsatisfactory: The project/programme had major shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Highly unsatisfactory: The project/programme had severe shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

5.3. Outcome 2

Outcome 2: SGR and associated institutions are empowered to identify response measures to climate-induced vulnerabilities and implement relevant cc adaptation projects

This outcome sits under component 2, which refers primarily to support provided by the FAs to the SGRs. According to the Year 4 Project Progress Report (Y4PPR), the outcome and all of the outputs were met or exceeded (see Table 9). The baseline, in each instance, was zero.

Outcome/Output	Indicators	Target	Achievement
<i>Outcome 2:</i> Small Grant Recipients and associated institutions are empowered to identify response measures to climate-induced vulnerabilities, and implement relevant climate change adaptation projects	Number of Small Grant Recipients with increased capacity to implement adaptation projects that address risks to extreme weather events	At least 12 SGRs	12 SGRs ¹²³
<i>Output 2.1:</i> At least 12 local institutions in the Mopani and Namakwa Districts are supported to develop small grant projects for local-level adaptation	1. Number of Small Grant Recipients with women within the management structures 2. Number of small grant recipients new to climate change adaptation 3. Number of small grant recipients lead by civil society 4. Number of small grant recipients with civil society within the management structures	At least 10 SGRs At least 8 SGRs At least 8 SGRs At least 12 SGRs	12 SGRs 9 SGRs 11 SGRs 12 SGRs
<i>Output 2.2:</i> At least 12 local institutions in the Mopani District and Namakwa District are supported to implement integrated climate adaptation responses	Number of project site visits by Facilitating Agents	192 site visits	313 site visits

Table 10: Component 2 achievements against targets¹²⁴

¹²³ This is the achievement reflected in Y4PPR, however there is inconsistency in the reporting over the different years, whereby it is sometimes recorded as 13, to include the World Vision project which was terminated before implementation.

¹²⁴ SANBI, Y4PPR, August 2020

Notwithstanding the successes as measured against outputs and desired outcome, this section looks at: *What changed as a result of this project?* We look initially at what enabled or inhibited outcomes and why, based on the evidence provided above. We discuss what it means to be an ‘empowered institution’.

The SGF proposal captures a particular understanding of empowerment:

This approach responds directly to calls from civil society to bring the principle of ‘direct access’ closer to vulnerable communities themselves, thus empowering them to determine how climate finance will be used, and building institutional capacity for the implementation of adaptation efforts at the local level.

Several assumptions implicit in the language, design and approach of this project need to be considered. These include the formal-informal nature of institutional arrangements in rural South Africa; the power of knowledge, which relates to whose knowledge is recognised and valued; what ‘capacity’ and ‘empowerment’ mean at different institutional levels; and that adaptive capacity is needed beyond climate induced biophysical threats – or, as captured in the indicator, ‘extreme weather events’. There is a distorted view that capacity building happens only at a local level. We know informal systems are more adaptive – yet we seek to formalise them. When these critical concepts were unexamined in this project they caused conflict and inhibited project progress.

Institutions cannot be seen in isolation but in relation. This project revealed that social organisation and structure happens in many different ways – both formal and informal. It is these forms, relationships and networks that need to be protected where they work, strengthened where they are weak and challenged where they are ineffective or harmful.

Unpacking ‘capacity’: knowledge and language

At an institutional level, it is important to note that the SGF contracted local organisations (SGRs) that had worked in the area for some time and had good working relationships in the communities where the projects were planned. Furthermore, many knew relevant local government officials and had a good understanding of policies, regulations and/or institutions governing food growing, livestock management, fisheries, markets, land tenure and water use. This track-record, knowledge and integrity was critical to the SGF achieving what it did, despite the time limits. The results-based matrix does little to capture this pre-existing knowledge and capacity; and in many ways effaces it through allocating *zero* as the baseline of ‘empowered institutions’ (see also section 6.3).

Building on the initial assumption or framing, this local knowledge, including that it is critical to climate change adaptation, was often overlooked during project implementation. Instead, the SGRs had to ‘prove’ their knowledge. For example documents moved back and forth as an SGR tried to persuade the FA/EE/NIE that they knew the links to climate change:

“We were trying to find the link between rainwater harvesting and climate change. In our proposal it was clear what we wanted to achieve. It was there all along, people were already talking about soil erosion; when it rains top-soil is washed away; there is no land for agriculture; we’re not harvesting enough water in dams; we can’t get water anymore; streams

are running dry. The link was there but trying to make people understand it was a challenge.”¹²⁵

The lack of inclusion of local knowledge was identified already in the MTE. A contributing factor to making local knowledge invisible was that the SGF did not recognise or acknowledge the extent to which climate change language and discourse is a means of exclusion – because people weren’t using the right words, their contribution to climate change adaptation was not seen and an uneven power dynamic was set-up¹²⁶. This shifted positively during the project as both FAs and SGRs were exposed to climate change discourse, for example at the Adaptation Futures Conference, and grew more confident with the language.

Over time we occupied more of our role. We were a bit silent at the beginning. People speak about adaptation and it sounds like science, but no one was saying anything we didn’t know – we know this! On the ground it feels like an extension of development work that we were doing; but with the AF and everyone watching, we thought maybe we were missing something. Comments we made were not given enough weight.

It’s *our* mistake. Within a year or two we realised that we *know* what we’re doing – and the technical experts don’t always. SSN started seeing it as a collaborative learning process, which made it much easier for us to dialogue. Spaces could be quite intimidating with people who have been in this industry for aeons.¹²⁷

Although this is positive, it again speaks to the effort that local institutions need to put in to ‘be heard’ in the language of global climate discourse. The question remains whether the same amount of effort and growth took place at higher levels of management and governance. For example, did they become better at understanding the way that communities articulate their needs? There is evidence of this from some interviews. The emerging climate justice discourse challenges this and questions how social power relations are perpetuated through climate discourse¹²⁸.

The experience of exclusion was uneven across the project. For example, no one on the Mopani TAG had prior climate change experience, whereas the Namakwa TAG included a number of technical experts, and the Namakwa FA had worked on climate change for decades. In Namakwa, fishers were able to organise their experience into a climate change explanation through temperature and sea behaviours. This integrated with their previous knowledge, as well as a broader ICT-based project which supported local knowledge growth (by reporting details of fish catches), opening opportunities for direct marketing (to high-end restaurants) as well as creating evidence for policy influence that would benefit small scale fishers.

¹²⁵ SGR Interview, July 2020

¹²⁶ This contradiction has been documented elsewhere in the work of Eriksen, Nightingale & Eaken (2015) who argue that a managerial approach to adaptation often ignores that adaptation is a socio-political process where adaptation (and how it is framed) can constitute as well as contest authority, subjectivity and knowledges. These struggles can open up or close down space for transformational adaptation as is evidenced in the SGF project. (Eriksen et al.,2015).

Weber and Schmidt also argue that the dominance of the international climate discourse runs the risk of sustaining and even reinforcing inequalities and excluding the most vulnerable. (Weber, & Schmidt, 2016). What the evaluators are arguing is not a simplistic version of viewing local knowledge as information packaged differently but that local people are not only consumers of knowledge but creators of knowledge (See Visvanathan. 2005).

¹²⁷ FA interview, July 2020

¹²⁸ Israel & Sachs (2013)

Did the project expect people to understand climate change discourse and knowledge by the end? Was this part of what it meant to be an institution empowered to respond to climate change and implement adaptation projects? If so, this was an unspoken expectation and it contains a contradiction. The project aim was to build capacity but you had to know the links already to get the SGF money. In other words, the outcome was a prerequisite for being included in the project.

One positive outcome of grappling with the discourse is that climate change is now recognised and can be articulated, to varying degrees, by both FAs and all SGRs and they are likely to integrate it into their future project proposals in a way that will be recognised and valued by climate scientists and policy makers. This is a critical ‘capacity’ if local NGOs want to continue to access international climate finance. However it does not detract from the critical importance of local knowledge being given its proper place within climate change discourse. This local, embedded, experiential knowledge is a necessary component in building sustainable resilience in the face of climate change.

Institutional capacity to adapt

There were instances where SGRs and/or beneficiary groups responded well to challenges. For example, when a pump broke down in Mopani, one of the beneficiary groups did not go to the FA or other SGF players for money. They asked the SGR supporting them to phone a pump company, and paid for the repairs out of their own savings. This same group started saving seed in response to a heat-wave.

“One day I found them drying and saving okra seeds. I asked them why. They said: ‘we can’t keep going back to the shop. When we’ve lost a field of maize, we can plant again.’ This shows that people can think and make plans about how to recover.”¹²⁹

The short time available for implementation meant that each project had a very limited number of seasons and ‘weathers’ to test their new assets, infrastructure, and what they had learnt. Given the erratic weather patterns inherent in climate change and that most projects were directly dependent on climatic factors for livelihood security through food-growing, livestock raising, fishing or rainwater harvesting, it is difficult to know the extent of their capacity to adapt. A longer implementation time frame is needed to ensure that learning has been internalised and that people know what to do under different climate conditions, such as an extended drought, heatwave or flooding.

Institutional capacity to administer projects and finances

The SGRs had not experienced the level of administrative requirements of this project before. Two out of six Mopani projects terminated early; two others pulled out along the way and had to be persuaded to continue, i.e. four out of six SGRs found the process onerous. The capacity of mid-level NGOs to host projects and act as SGRs was stronger in Namakwa than Mopani. Nevertheless, in the beginning it seems there was a misunderstanding, or insufficient knowledge, by NIE and EE of the role of local NGOs as an interface with more informal local organisations and beneficiaries. This was evident in both provinces. For example, the FAs

¹²⁹ SGR interview, July 2020

provided a crucial support role, e.g. keeping receipt slips and helping with transport arrangements. In Namakwa, the CSA administered CLF and CLB projects on their behalf; and in Mopani CT administered on behalf of Exilite 499cc.

As the MTE pointed out, this conflation of groups and roles at a local level was another contradiction in the project: local institutions were expected to have administrative capacity, even though part of the project aim was to build it. The same contradiction was true for an understanding of climate change adaptation. It points to a lack of understanding or integration of local rural contexts into the project design, in particular knowledge of development, institutional structures, informal networks, and local level organising. Not enough resources went into supporting this aspect of institutional empowerment¹³⁰.

Although the administration, procurement and reporting processes were onerous, many of the SGRs appreciated what they learnt and will continue to use some of the systems they were introduced to. They gave reasons why they thought the level of administration was required.

“It was a nightmare! But a wonderful one. All they wanted was that this should be a project that is replicable, and for that you need to have a portfolio of evidence. We’re working with literate and semi-literate people so it’s very hard to ensure record keeping and documentation. But if you want to be an example, then you *have* to keep records. There was no other way.”¹³¹

“The SGF record keeping systems are good; we’re still using them in [our organisation]. The excel system includes income and expenditure and automatically calculates amounts. It is easy to trace what has come in and if you are overspending. We didn’t have a procurement policy and procedures before but the SGF helped us to do it. It’s a good tool and replicable for our other projects. It helps you to be accountable for what you are doing.”¹³²

While these are laudable achievements, we question whether these systems were the ‘best fit’ for the task at hand. The capacity gained is not one of adapting to climate change directly, but indirectly to the demands of global climate finance and national requirements for financial accountability. This is not to say that capacity should be built in one and not the other, but rather how a community can only be trusted or be said to be capacitated if people can balance a balance sheet and keep auditable financial records. In Doris Lessing’s fictional work, *The Golden Notebook*, she writes about a freedom fighter from an African country (now President) who comments dryly that his country will not be judged according to what his movement has achieved for his people but whether the trains will run on time. This analogy captures the tension of when other forms of capacity go unnoticed due to a preconceived idea of what capacity looks like. Furthermore, as can be seen by the quotes above, this responsibility has been internalised as ‘something we have to do.’ People were given the responsibility and held accountable to deliver against high level outcomes, without the power to implement locally relevant actions without higher level managerial approval.

Taking this one step further, SGRs were afforded limited powers to manage their own budgets – and they did not feel they ‘owned’ them. This inhibited the SGRs’ ability to act timeously and make locally sensible decisions. It points to a lack of community ownership and raises

¹³⁰ FA and EE interviews, July to November, 2020

¹³¹ SGR interview, July 2020

¹³² SGRinterview, July 2020

questions regarding claims to adaptive management. In Mopani, the cap of R25 000 was insufficient for phase 1, and no one was clear how this amount had been decided upon.

The issue of paying expensive experts is an interesting one to explore further as it contains contradictions. While local project actors resented the large amounts of money it took from their budgets, those further away appreciated the guarantee of work quality that qualified experts could provide. In one case, a poorly built structure had to be taken down and rebuilt as it was structurally unsound. The question though is: who makes the decision? In this complex environment, people are making choices against different risks and time-horizons. Climate change means having to look at long term risks, whereas local livelihood choices are often based on a very short-term horizon. However, if local adaptive capacity is to be built, surely it is for those closest to the intervention that need to have a greater sway in the decision making? In the case of the caravans, beneficiaries would have preferred the poorer quality ones that they knew how to fix.

It is possible that lack of ownership of the budget, also extended to lack of ownership of the project in some cases.

“So much changed between the initial and final proposal. It was like other people wanted to implement the project using [our organisation’s] name. We can’t take any decisions, and we’re just expected to implement.”¹³³

Although this might be a minority voice, it is worth listening to as it points to experiences of exclusion and disempowerment. It is important to guard against this form of ‘implementation capacity’ when strengthening local organisations’ ability to respond to climate change.

The importance of independence and networks

Two seemingly contradictory aspects of organisation enabled successes. The first is independence and the second is interdependence through networks. These aspects are synergistic.

Being able to generate, save or mobilise financial resources independently of the SGF allowed some of the SGRs to respond quickly to challenges where they would otherwise have been dependent on the SGF’s slow financial systems. This strengthened adaptive capacity for four reasons. Firstly, through generating funds from their food-growing, beneficiaries gained confidence and recognition. Secondly, savings and co-funding helped with asset maintenance and additional livelihood activities, such as poultry, that brought important synergies to the SGF projects. Thirdly, a level of financial independence provides a buffer against poor weather and other environmental factors, which could result in crop failure, livestock death or low fish harvesting. Finally, generating income through rural production in urban markets spreads risk and strengthens urban-rural linkages.

¹³³ SGR interview, July 2020

People and long-trusted local networks were a key success factor in the SGF. This is what enabled the project to have the level of success it did in such a short time¹³⁴. It was also an asset that the FAs and SGRs brought in, with considerable generosity and at some risk to their own organisations. This ‘capacity’ was not formally recognised or made visible in the project hierarchy, with some far-reaching negative consequences. At stake is the complex, nuanced and fragile relationships that development organisations have with the communities in which they work. These relationships are tested to their limits by projects and funds that are promised but which don’t arrive, or which arrive late. When a project is terminated – due, for example to a compliance issue – there are consequences beyond the bounds of the SGF.

“It pained me to find that there were projects that fell by the way side. And this was supposed to be a *pilot*. It has disadvantaged the communities they were working in. It really pains me – not just that it failed but it also impacted negatively on organisations in that area. It will be hard for them to regain the confidence of the people in that area because trust is lost and people will think that money was stolen.”¹³⁵

It is unethical for the consequences of a ‘failed project’ or delayed funds to sit with the SGRs alone. Yet the risk management systems was largely one-sided. The governance system was set up to mitigate the risk to organisations higher up the financial chain but nothing was set up to mitigate the risk to the SGRs. If it had been, the high risk of a 6 months delay would have been foreseen. Furthermore, there was insufficient process to raise and resolve issues that arose (see 5.4: Outcome 3).

Beyond their relationships with the beneficiary communities, the SGRs showed a high degree of networking and used these relationships to take advantage of opportunities, or address challenges as they arose. Projects that worked well, took place in organisations which were on a longer (organisational) trajectory, before and after this funding – in a relationship with other actors (see Section 4.4).

Dimension	Discussion	Rating
Relevance	The focus on SGRs and associated organisations was highly relevant to responding to climate change. Empowering local institutions helps to spread the risk away from a national response only. National government already struggles to deliver public services to everyone, particularly those in rural areas; and this will become more pronounced with climate change. Furthermore, local institutions can respond rapidly to changing contexts and challenges; and they provide a safety net for vulnerable communities. This was seen with the COVID-19 pandemic whereby local organisations were able to shift their mandate very quickly to respond to the crisis. For bigger institutions, the response time is slower. It is also highly relevant that organisations can use climate finance at a local level.	Highly Satisfactory
Effectiveness	SGRs were better able to implement climate change adaptation projects as a result of this grant. In particular, their	Moderately Satisfactory

¹³⁴ Local networks, both formal and informal are being increasingly seen as necessary for climate adaptation. It is therefore of utmost importance that these networks are not unnecessarily damaged through managerial systems that do not recognise the full value of these systems to the success of climate adaptation. (See Rodima-Taylor, (2012) for an example of the value of local networks).

¹³⁵ SGR interview, July 2020

	<p>administrative and financial capacity was built. Through the process, they have also learnt what is necessary prior to starting a climate change adaptation project with community beneficiaries – such as secure land tenure for food growing and licences for boats, trees and water. The degree to which SGRs and associated institutions are able to identify response measures to climate-induced vulnerabilities is harder to assess at this time. It is likely that this capacity is stronger in Namakwa, which already had a functioning adaptation network and has seen a shift through CSA’s training needs assessments¹³⁶, than in Mopani. If the pilot isn’t up-scaled or replicated, or if these projects don’t continue to receive support, it won’t be as effective.</p>	
Efficiency	<p>The FAs provided targeted and contextually appropriate support to the SGRs. Likewise, SGRs provided solidarity, mentorship and practical support, including documentation, to the associations, clubs and community-based organisations that they worked with. This signifies a massive efficiency in the system. These indigenous implementation supporting NGOs are a precious resource and able to use funds efficiently to ‘get to the ground’. However, delayed decision-making processes resulted in wasted resources, such as personnel time, lost opportunities and community trust.</p>	Satisfactory
Overall Rating		Satisfactory

Table 11: Outcome 2 ratings

Key

Highly satisfactory: The project/programme had no shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Satisfactory: The project/programme had minor shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Moderately satisfactory: The project/programme had moderate shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Moderately unsatisfactory: The project/programme had significant shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Unsatisfactory: The project/programme had major shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Highly unsatisfactory: The project/programme had severe shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

5.4 Outcome 3

Outcome 3: a methodology for enhancing direct access to climate finance is developed, based on lessons learned, providing recommendations for scaling up and replicating in SA and beyond.

This outcome sits under component 3. According to the Year 4 Project Progress Report (Y4PPR), the outcome and all of the outputs except the overall methodology were met or exceeded (see Table 12). The methodology is due to be completed in early March 2021. The

¹³⁶ CSA, *pers. Com.* October 2020

baseline, in each instance, was zero. According to the learning outputs, the project delivered beyond the target. The data in Table 12 shows an increase in learning and sharing processes over the four years of the project. 32 out of the 42 training sessions happened in the fourth year of the project. Sharing, through local and international fora, increased over time. Sharing with the National forum remained the same throughout the project. Table 12 below describes the achieved targets against the outputs of outcome 3 as of the September 2019.

Type of indicator	Indicator	Baseline	Progress since inception	Target for Project End
<i>Outcome 3: A</i> methodology for enhancing direct access to climate finance is developed, based on lessons learned, providing recommendations for scaling up and replicating in South Africa and beyond	Number of methodologies for enhanced direct access to climate finance	0 methodologies	0 methodologies	1 methodologies
<i>Output 3.1:</i> Training opportunities are provided for Small Grant Recipients Number of training sessions to build local community capacity in inter alia climate change adaptation and financial management skills	Number of training sessions to build local community capacity in inter alia climate change adaptation and financial management skills	0 training sessions	42 training sessions	10 training sessions
<i>Output 3.2:</i> Local networks for reducing climate change vulnerability and risk reduction are developed, expanded and strengthened Number of fora for grant recipients to share experiences at inter- and intra-Municipal levels	Number of fora for grant recipients to share experiences at inter- and intra-Municipal levels	0 fora	7 fora	At least 4 fora
<i>Output 3.3:</i> Case studies and policy recommendations are developed for reflecting on, replicating and scaling up small grant financing approaches	Number of fora where project outcomes and relevant policy recommendations are presented	0 fora	9 fora (5 local, 1 national and 3 international fora) [derived from reports submitted on a quarterly basis]	At least 6 fora (4 local, 1 national and 1 international fora)
	Number of case studies capturing beneficiary and grantee experiences	0 case studies	9 case studies	At least 8 case studies

Table 12: Outcome 3 achievements against targets

The relevance of developing a methodology for EDA

The development of an EDA methodology is a relevant contribution to climate financing for adaptation for local communities, for replicating this model of financing in South Africa and for the AF.

The evaluators argue there are systemic lessons that the SGF pilot highlights about the challenge of binding contexts together (from international to local) to deliver resources and support to a local level that would be worth considering when finalising outcome 3.

The *layered design* of the SGF management system was well thought through and takes into consideration different contexts and the capacity support that is needed to bring global climate finance to the ground. Challenges arose in the *implementation* of this design. This includes challenges of reporting at scale, compliance obligations and local contexts and how knowledge and capacity is valued at different scales. The logic of the SGF design is sound as it attempted to address the strengths and weaknesses of the different institutional cultures involved, the challenges of diverse contexts and the need for capacity and support. Although this was so, implementing the design was not easy and led to unforeseen delays and tensions. This requires reflection not only on the relevance of the EDA design but also on the approaches to implementing this design. Below the evaluators document emerging lessons.

Multiple layers of SGF governance led to delays in reporting and the disbursement of funds

The logic of layered design of SGF was to:

- a) Safeguard SGRs against administratively heavy government reporting and compliance by providing a buffer through the EE taking on this financial risk on behalf of the SGRs. The assumption was that the SGRs would be able to report in a way that was contextually relevant to them and the EE would provide consolidated reports to the NIE. The EE would be responsible for ensuring that the SGRs were accountable without overburdening them with complex and administratively heavy reporting systems. Due to the internal compliance regulations of the NIE it would not be in a position to buffer the SGRs from this administrative load.
- b) Provide support to the SGRs through the FAs who would have a better understanding of local context and have the skills to assist the SGRs to develop the necessary management systems to administer the SGF funds.

This is an admirable effort. In implementation it very soon became clear that the different layers of the SGF had different understandings of their role and what it meant to buffer the SGRs, the level of evidence required to prove compliance at all levels to the NIE and the support that the SGRs would need to navigate this shifting and uncertain set of demands.

This was due to the following tensions:

- Detailed documentation of proof of compliance took precedence over trust.

- The SGF management system did not have an efficient way of dealing with multiple-layered requests and feedback.
- An added challenge of what counted as proof was not clear at the start of the project and shifted over time as trust was eroded and relationships broke down between the different levels of the management system.

The reasons given for these tensions are multiple: a) the SGF management system has too many layers b) higher management levels did not have the expected capacity to do the job and/or were not trusted to do the job c) higher levels of risk associated with institutional compliance took precedence over the risks to SGRs in meeting these criteria d) it was not always clear what was expected and/or what was ‘not good enough’. It is difficult to untangle what the actual issue was: lack of capacity, shifting expectations or too many layers. What is apparent is that healthy relationships between institutions cannot wholly be replaced by systems of compliance. All economic transactions include a level of trust between different role players. This trust did not seem to be present in the SGF management system leading to inefficiencies in the system.

The evaluators deemed it necessary to test whether this was exclusively an issue in South Africa or whether other AF country grants also struggled with similar tensions relating to the realities of a local context and the expectations of reporting and compliance. India reports similar issues between the expected managerial and administrative demands of receiving money from a global fund and the realities of local organisations. This is seen to be slightly reduced but not eliminated by only having a two-tier management system: NIE and EE (with EEs also supporting local organisations – the role of FAs in the South African model).

The MTE reports that, “this kind of project management creates its own reality. This reality demands a disposition, specialisation, level of technical skill and resourcing that is not common in community work, nor usually needed. And in any event, it makes its demands felt only as processes unfold and so it is hard to anticipate what is actually needed.”¹³⁷ A two-tiered governance model may ease some tensions but are unlikely to address all the tensions that make it difficult to establish and implement an efficient EDA system. This will require a better and more nuanced understanding of the contexts of local organisations. The intention should not be to change local organisations to fit into global systems. The flexibility and administratively light and contextually relevant systems of local organisations is what makes them effective at a local level. What is needed is an equal compromise and effort put into developing trust and a commitment to partnership as well as systems of compliance. This means designing monitoring (which the NIE is ultimately responsible for) as a process of building partnerships through learning across the management system rather than a top-down model. This requires the participation in the co-design of the SGF management systems by all levels. This co-design includes co-learning and reflection on what is working and what is not. For this to be successful there needs to be an understanding that it is not only the SGRs that require support. SGRs can offer support to the management system in terms of developing locally relevant administrative systems based on their experience and understanding of context.

These tensions fundamentally link to what is valued at different levels (such as global financing, national government bodies, district and local NGOs). These values are not necessarily aligned and often do not take into consideration different contexts, for example, the formal and informal economy. In the SGF pilot project it is clear that the responsibility to

¹³⁷ Soal & Diedricks, 2018

change, adapt and comply cascaded down to the least resourced organisations that are responding to matters of survival in local communities. Based on the current available resources for climate adaptation in Africa it is unlikely that there will be a huge influx of funds to build local organisations that mirror the systems of global organisations. Acknowledging this demands innovation that responds to the needs of local level mobilisation and organisation. A more relevant SGF governance system would involve building a system that centres local realities and builds on local rules of engagement. It requires an NIE and EE that can be a buffer for subnational organisations (through collaborative engagement) and push back and negotiate at the international scale for systems that are more aligned. This will more than likely require alliances with civil society organisations that understand the local context and government personnel who understand the global climate financing landscape and can open up spaces for dialoguing on behalf of the NIE if necessary.

Relevance of Learning, networking at local, district & national scales

The SGF proposal acknowledges the importance of learning. Learning and then adapting practice based on this learning is vital for adaptive management. The purpose of doing a pilot is to learn so as to replicate or scale up an initiative.

There was a great deal of learning for each individual SGR and the SGBs as well as between SGRs and SGBs. The peer exchanges and in situ learning at a district level were deeply appreciated and SGRs and SGBs wanted more of these. One observation from the SGRs was that these learning exchanges happened too late in the project, when implementation was already underway. They recommend it would have been more appropriate if the learning exchanges and training had taken place during or just after the proposal development phase of the project¹³⁸. The reasons for the late start in learning exchanges is documented in Chapter 4.

The SGF conducted capacity assessments that became more formal over time. Based on these assessments the following capacity needs were identified:

- Organisational skills
- Technical aspects
- Social dynamics
- ESPs
- Climate change adaptation

A series of training sessions were designed and given by FAs and contracted experts. In the PMT close out reflections it is recorded that once-off training sessions were not enough:

“Early on in the process of project implementation the project management team realised that capacity building training on its own would not be sufficient to embed the skills and practices the project aimed to develop, additionally different SGRs had different needs and cross-project training could not address all of these. Therefore, the FAs also conducted 101 capacity building sessions/visits with individual SGRs to bed down the key messages from training and address the individual areas of development needed. These capacity building sessions reached all SGRs, and also included staff from local government departments, with the intention of facilitating long-term support for the projects in each district.”¹³⁹

Based on this experience the PMT argue that if the SGF was to be repeated, the capacity development process should be a separate programme or project and should respond to the

¹³⁸ Interviews with SGRs and SGBs, July-August 2020

¹³⁹ PMT draft close out reflections, 2020

specific needs of different SGFs. This insight is more in line with transformative models of learning which would also include, as the starting point, the SGR’s current knowledge of the local context, local decision-making systems, local practices and local networks. South Africa also has a rich history of popular education with many experienced facilitators in popular education. This rich experience can be found in small NGOs and social movements that have engaged in political struggle during apartheid and beyond¹⁴⁰. There are also many innovative models of social learning emerging from the environmental education sector. This form of education would be far more appropriate for strengthening SGRs *and* strengthening networks at scale with learning. The Capacity Building framework developed by the PMT outlines 7 elements of organisational capacity based on the lessons learnt through the SGF. This is a significant learning to emerge from the SGF.

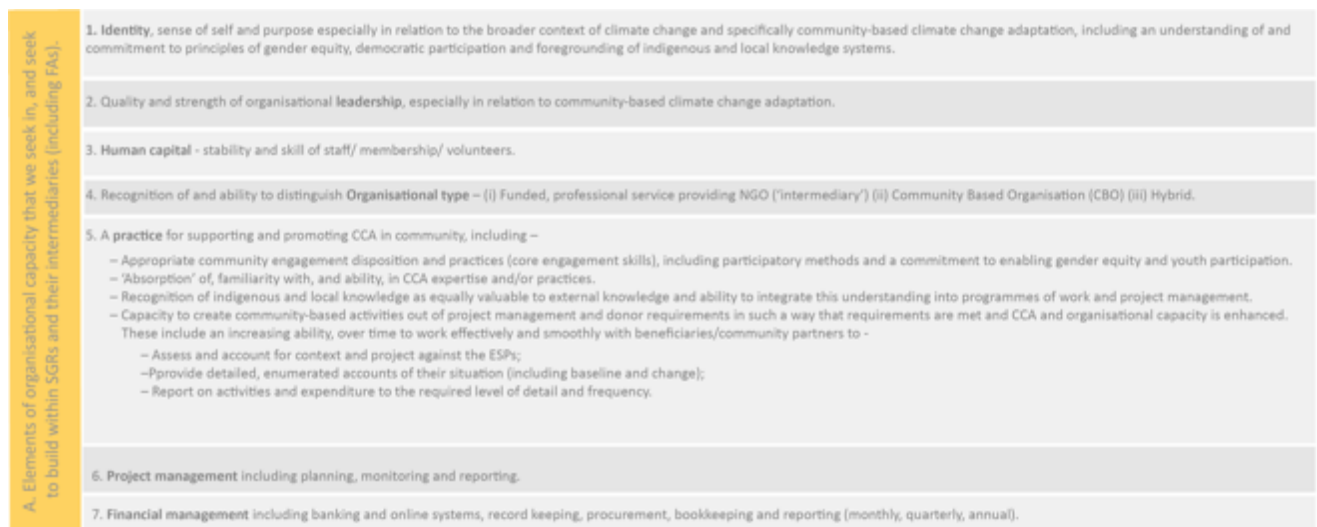


Figure 9: 7 elements of organisational capacity

The main focus of capacity development was at the SGR and district level. EE, FAs, SGRs and SGBs also participated in district and inter-district learning events that happened during the last phases of the project. There was a strong wish from the SGRs as well as members of the NAFAB and TAG for learning events and site visits at a district level. This is an important request as it acknowledges that even though information passes up the financial chain it often becomes more abstract as it moves up. A shared understanding is generated through learning together. SGRs in particular felt that it was important that their successes and challenges were heard in a way that they chose to articulate them rather than rely on organisations further up the financial chain to abstract what they thought would be relevant. This desire for understanding the impact of the project on the ground was mirrored by NAFAB members who would have appreciated on site visits or more interaction with the SGRs so they could see the impact with their own eyes¹⁴¹.

¹⁴⁰ Burt, 2019.; Burt, et al. 2020; Choudry, 2014; Hall, 2009; Hall et al. 2012; Kapoor, Dip. 2019; Kotze & Walters. 2017.

¹⁴¹ NAFAB interviews, August – October 2020

Effectiveness and efficiency of learning

As clearly articulated in the SGF case study on ‘An emerging framework for capacity development’, learning that is embedded, resourced, explicit and well documented is vital for adaptive management. The MTE reported that the Project has struggled to fulfil this commitment and, at the same time, meet basic compliance, accountability and transparency requirements. The MTE reported the following reasons why the SGF has been unable to meet this commitment¹⁴²:

- the NIE and EE struggled to reach agreement on the basic systems that were needed to ensure compliance.
- EE struggled to integrate learning into operating systems from the start of the project.

After the MTE external consultants were contracted to facilitate learning at a district and inter-district level. These workshops were deeply appreciated (as reported above). Given the timeframes available a huge amount was achieved.

Learning events have been effective at sharing lessons at a district level. They could have been more efficient if the learning, knowledge management and communication strategy developed (in draft form) at the beginning of the Project had been integrated into the operating systems from the start of the project. This was planned but not implemented due to delays in the release of funds. It is also questionable whether it is only the SGRs that needed their capacity built.

It is apparent, from the reflections that have emerged from the learning events and from the case studies, that a lot of ‘learning about learning’ has taken place.

What is the relevant level of reporting for whom and for what purpose

The governance of the SGF was set up to buffer the SGRs from the administrative load that comes with global financing. However, in practice the reporting and compliance requirements cascaded down the financial chain. To successfully implement the design it will be valuable to equally centre the needs and risks of local organisations and the needs and risks associated with global financing. This requires paying attention to the experiences at the local level as providing important lessons to offer organisations higher up the financial chain on how to design and implement EDA. This includes collaborative problem solving with local organisations.

The acclaim that the ESPs received on the international stage was not mirrored in the South African local context. Vulnerable people were held accountable to them via the SGRs’ need to be accountable to the SGF governance system and to the AF. This points to two contradictions: a) that protections needed in the formal economy do not necessarily fit the context of the informal economy¹⁴³ and b) instead of being a tool to prevent harm and to guide action that is aligned with legislation, and environmental and human rights, the ESPs became a tool for ensuring compliance necessary in more formal and urban economies. Local relational capacity and local practices were not considered, for example how communities buffer the families of alcoholics through systems of payment that ensure the finances go to the family rather than to

¹⁴² Soal & Diedricks, 2018

¹⁴³ Interview NDA, August 2020

the family member that is suffering from mental illness. From a global perspective these patterns of management may be viewed as unacceptable but that is ignoring the context out of which they have developed and how communities manage their own relationships.

Reducing the complex task of addressing gender inequality to reporting against a gender policy can have two effects a) cascade the responsibility for undoing gender-based violence and inequality onto small scale organisations that are not equipped to do so nor have the capacity, either in terms of skills and finances, to begin such an endeavour, b) gender equality and empowerment being reduced to a tick box exercise around gender representivity rather than shifting negative entrenched gender dynamics. It needs to be integrated into the overall design in which there are funds for running workshops on gender dynamics and gender-based violence as well as offering support for gender crimes and abuses. People do what they need to do to comply, which can further polarise gender relations. This may require work into what the intersectional issues are between climate adaptation and gender so as not to reduce gender indicators to ‘number of individual women participating..’ An organisation that is developing and piloting in an ecofeminist approach to assessments is WOMIN¹⁴⁴. There are significant learning to be taken from this work.

Managing risk of implementing EDA to ensure effectiveness, efficiency and long term sustainability

Fundamentally, all climate adaptation work is about how to manage the medium to long term risks associated with an unchecked fossil fuel economy and the inability of countries to react fast enough to the impacts of climate change. Addressing the risks to climate change takes place within other political, economic and social systems that also have significant risks linked to historical positions of power, how legality is defined and practiced globally¹⁴⁵, what country autonomy means in the context of historical colonialism and the impacts of historical colonialism, and the current context of a growing climate emergency.

The SGF was set up in response to the understanding that those who face the greatest risk of climate change are people who are made vulnerable by global systems of inequality. These people are mostly situated in countries whose ability to provide basic needs and rights to their population is limited due to many diverse and complex factors. The logic of the SGF is that vulnerable communities understand their context¹⁴⁶ and would best know how to respond to that context; therefore adaptation funds should be made available at the level of those that will experience the most risk. This is seen as an important response to this risk.

Climate risks are not the only risks that Global South institutions and governments need to manage when accessing climate financing to try and buffer the risk of climate change. The political and economic systems within which funds are accessed means that there are other risks that need to be navigated in order to ensure access to the very limited resource of global climate financing. These include:

¹⁴⁴ Randriamaro & Hargreaves, 2019

¹⁴⁵ See de Sousa Santos on how the current legal system developed in Western democracies is privileged above other forms of compliance and social order (de Sousa Santos, 2007)

¹⁴⁶ Local communities learn how to adapt to bad service delivery. Small local movements and national movements have a diversity of access strategies, self-reliance, relationships in civil society and strategies at a household scale to adapt. There is, in principle, the possibility that the way in which climate change resilience is built could undermine these existing strategies or strengthen them. This level of adaptive capacity is almost invisible in the climate adaptation discourse.

Risks at the level of AF:

- Demonstrate success of AF to ensure the continual commitment of funds from industrialised countries in a competitive and highly political climate financing environment.
- The need to generate evidence of the value of country ownership, a principle of the Paris Agreement, to motivate for the success of the direct access modality.

At the level of country government and country institutions:

- Reputational risk of both the country and the country NIE on the global climate financing stage.
- Risk to future financing to the country and the country NIE based on performance through the AF.
- Mitigating against existing negative reputations such as levels of government corruption.
- Changing the view that Global South institutions lack capacity to manage climate adaptation.

At the level of local institutions and civil society organisations:

- Risk associated with lack of capacity at a local level to comply with standards of receiving international finance
- The need to respond to short term and immediate risks to livelihoods and more long-term risks to livelihoods due to increased climate change.
- Risks to losing social capital – the trust and co-operation of communities that have been built over many years of co-operation between communities and NGOs.
- Risks to exhausting NGO capacity – both funds and personnel.

These risks play out in how operating systems are set up and what trade-offs are made in managing these risks. It is unlikely that these different and conflicting risks can be removed completely. NIEs and NDAs have the undeniably difficult task of managing reputational risk so as to ensure future funding in a way that does not lead to local adaptation strategies being eroded or success and capacity being judged by how efficient or effective local organisations are at compliance and reporting. In this context, efficiency, effectiveness and relevance needs to be defined around two centres: local community organisations and international financing. It would be most appropriate to design around local community organisations for local climate adaptation but countries also have the added challenge of being realistic about the economic and political systems that they work within to get climate adaptation support. Below the evaluators reinterpret relevance, efficiency and effectiveness by centring SGRs:

Relevance: Will the SGF governance system as it has been implemented during the pilot be relevant for ensuring the implementation of SGR projects to manage local immediate and long-term risks due to climate change? Do SGF governance systems enable SGRs to implement relevant responses to immediate and medium to long-term risks to climate change?

The MTE highlighted that the risk assessment included in the vulnerability assessment, done for developing the AF proposal was inadequate for understanding social, cultural and institutional scoping. Although the assessment was excellent in terms of natural science and highly participatory, it showed an inexperience when it comes to understanding the local mobilising and local systems of governance. As the MTE argued, if adequate institutional scoping had been done the project team would have known it would be a struggle to implement

the SGF according to the compliance criteria of the AF (held in the ESPs)¹⁴⁷. A scoping that focused on the political economy and done by the local institutions might also have alerted the SGF to the systemic contradictions of bringing climate adaptation funding to the ground.

The MTE expressed a hope that now that learning has taken place around addressing the risks associated with compliance and the reporting, there would be a focus on nurturing social sustainability of project outcomes and maintenance of infrastructure and economic benefits..

Effective: is the SGF governance system as it has been implemented during the pilot effective at enabling SGRs to respond to immediate and long-term risks of climate change?

The layered governance system did provide increasing support for the SGRs once it was clear what level of support was needed for which organisation. As this was a pilot project, it is expected that throughout the project there would be a need to adapt, with organisations having to re-evaluate their roles and responsibilities in the governance of SGF. This was done and organisations tended to adapt as need arose. A lot of support and resources was taken up with ensuring monitoring-as-compliance rather than monitoring and reporting for learning. This is not to say that monitoring-as-compliance is not important, but it needs to be balanced with monitoring and reporting for learning. This emphasis decreased the effectiveness of the pilot project as an innovation, and this in turn decreased the SGF governance system from enabling SGRs' responses to immediate and long-term risks to climate change. Coordination at a higher level of governance and within government is still not effective enough to embed the individual SGR adaptation projects into broader national responses to climate adaptation although a significant amount of effort has been made to bring key role players together at a national level.

Efficient: Is the SGF governance system as it has been implemented during the pilot efficient at enabling SGRs to respond to immediate and long-term risks to climate change?

The MTE identified the compliance requirements as 'cascading administrative risk onto grantees and in some cases beneficiaries'. There has also been co-financing by NIE, EE and FAs. The evaluators have also invested significantly more than budgeted for. Unplanned for co-financing indicates a level of inefficiency. The extent to which the complexity of compliance and accompanying risk management (linked to ESPs) was passed onto FAs and SGRs suggest there needs to be a ring of support around SGRs to alleviate this risk if it can't be managed by another level of the hierarchy.

There are examples that show that time lags that started at the beginning of the project affected the efficiency of SGRs to implement the adaptation projects. These time lags included the continual delays in receiving finances due to reports being rewritten and reworked to be compliant with sometimes unclear and shifting criteria. Some projects, that had already started late due to delays in contracting, came to a complete standstill due to lack of funds. Although changes were made in who was responsible for what tasks to ensure reporting and compliance, alleviating national risks dominated the governance system leading to exacerbating risk at a local level.

The ratings and discussions below need to be read with the understanding that outcome 3 has not been completed.

¹⁴⁷ Soal & Diedricks, 2018

Dimension	Discussion	Rating
Relevance	The layered organisational design of the SGF was relevant and recognises that bringing climate finance to the ground meant working with very different contexts. The way in which budget was allocated to supporting the SGRs acknowledges that the demands of receiving international finance carry a specific risk. The methodology privileged risks to higher level organisations over risks to local organisations and people. This increased over time however the reasons for this have been clearly documented as lessons by the SGF management system.	Satisfactory
Effectiveness	A pilot project is supposed to take risks and innovate. Some mistakes were acknowledged and strategies developed to deal with mistakes. Mistakes were seen as risks to higher levels in the hierarchy which were centred over local level risk. This led to a cascading of risk through the layers of the management structure. The effectiveness of the SGF was hampered because compliance was not balanced with learning. The formation of the NAFAB is an innovation that is needed at a national level. It brings together representatives from relevant government departments, the private sector and civil society. It opens up opportunities for institutionalising pilots like the SGF and drawing on the expertise of different sectors. NAFAB members expressed a desire to have more interaction with projects on the ground. Members feel the facilitation of the NAFAB could be improved.	Moderately unsatisfactory
Efficiency	The Project was very ambitious with high expectations of what it could achieve with the budget in terms of learning, M&E and management. Reporting templates improved over time. There was an imbalance in time spent on monitoring as compliance to the detriment of learning. The breakdown of relationships between the NIE and EE was detrimental to the project and resulted in delays that impacted on SGR work on the ground. This was addressed towards the end of the project based on recommendations from the MTE. The lessons on learning have been well documented and will be of significant value if this pilot is to be scaled up or replicated. A key challenge in EDA is ensuring that gaps between different scales, from local to global, do not widen. Another is to ensure that the design is not skewed towards managing high level risks involved in moving climate financing to the ground. There are still significant challenges with developing a pathway for transparent and direct communication from lower to higher levels of power. The process of finalising the methodology could be used to explore this further.	Moderately unsatisfactory
Overall Rating		Moderately Unsatisfactory

Table 13: Outcome 3 ratings

Key

Highly satisfactory: The project/programme had no shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Satisfactory: The project/programme had minor shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Moderately satisfactory: The project/programme had moderate shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Moderately unsatisfactory: The project/programme had significant shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Unsatisfactory: The project/programme had major shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Highly unsatisfactory: The project/programme had severe shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

6. EVALUATION OF PROCESSES

6.1 Risks to sustainability

What is in place to enable sustainability?

There are many things in place to enable sustainability going forward. The most fundamental is the commitment by key local actors to continue the work. The SGF was part of a longer term trajectory of the FAs and SGRs to contribute to livelihoods, poverty eradication and environmental protection in the areas that they work. The injection of climate change knowledge has helped them to adjust their responses to mitigate risks associated, in particular with changing rainfall patterns, extreme heat and safety at sea. The climate change knowledge that beneficiaries, SGRs and FAs were exposed to has a strong science base (see discussion below). They have learnt – or improved their knowledge – on sustainable farming practices; rainwater harvesting, storage and irrigation; preserving and marketing products; and small business practices. They have seen the benefit of assets such as small dams, water-storage tanks, shade-netting, cooling sheds, caravans and solar pumps – and will do what they can to maintain these assets.

The learning, assets and organisational networks will be used, not only to continue with the SGF-funded projects, but to inform future projects, partnerships and fund-raising strategies. Thus there is likely to be a natural growing of projects and programmes that integrate climate change adaptation strategies at a grassroots level. This is further enabled through the FA and SGR experience of managing global climate funds. Members of the TAG who were interviewed also expressed strong commitment to continuing to support community work that is sensitive to climate change. There is an opportunity here to use these district and provincial networks to expand the project reach beyond the pilots. Without conscious support, this expansion is unlikely to happen.

The inclusion of income generation and savings in some of the Mopani projects is also likely to enable sustainability because it provides a level of financial independence, which will allow for asset maintenance and continued interest by the beneficiaries. At this stage, it is unclear what additional financial resources are available for most of the projects now that the SGF grant is over.

The intelligent way in which SGRs worked with beneficiaries and other local power structures built broader community support for the projects, which is likely to enable them to continue.

However, this is a dynamic space that requires careful ongoing facilitation and support. In particular it is important to note the role of Indunas and traditional systems for allocating land-use rights.

What is likely to challenge or inhibit sustainability

There are some risks to sustainability that were inherent in the project design and how it was implemented. Other risks – such as theft of assets in Mopani and the extent to which climate change will impact these regions – relate to a much broader context over which the SGF had limited influence. We look first at those that could have been mitigated through the project design.

The short implementation period of between one and two years for each SGR project meant that it was not possible to internalise learning across multiple different seasons and events, such as an insect plague. So although beneficiaries know what to do in theory, for some there is a risk that they might not be able to do it in practice. A longer term project implementation phase, or a second round of funding, would mitigate against this risk. However, the AF has a cap on how much money each country can receive, and insufficient attention was paid to ensure alternative funding to support these projects for several more years. There was a hope in the MTE that SGRs would learn about fundraising to enhance sustainability. If there is ongoing funding for any projects, it is ad hoc, and not coordinated to facilitate continued learning between these pilots. There is a risk that international financing will become more scarce. This is likely in the short term, given the recession triggered by COVID-19. In the medium to long term, economic instability triggered by climate collapse also threatens ‘climate finance’ as a mechanism for climate change adaptation.

Notwithstanding efforts that went into embedding the projects within communities and the care taken to involve existing organisations and political structures, there is a risk that this project has strained trust between some SGRs and the communities within which they work. This is largely attributed to the long time between project promise and project delivery, including delays in funding. In the case of a project which was suspended, the broken trust might be irrevocable. This poses a risk to ongoing work in the areas, and might make future climate change projects more difficult to implement.

The replication and scaling of this pilot was not clearly articulated or embedded within national policies and plans, although the NIE has submitted an EDA scale-up proposal to the GCF, which has been endorsed by the NDA¹⁴⁸. Within districts there is intention to continue the work started under the SGF, including through integrating project activities into IDPs. It is not yet clear what, if any, funding this will unlock. There is a risk therefore that the pilot never moves beyond being a pilot within formal government processes. However civil society organisations are likely to amplify and repeat what happened in the Mopani and Namakwa projects.

Two risk factors were largely outside the control of the project design. The first is the risk that assets in some areas will be stolen and it will be too costly to replace them. This can be mitigated through security and insurance, but both are expensive and if, for example, a pump or fencing is stolen multiple times, people might give up. The second external risk factor is climate change, which warrants a deeper examination.

¹⁴⁸ SANBI comments on TE Draft Final report, 13 October 2020

Climate change impacts – uncertainties and range

Generally, South Africa has a strong climate adaptation research capacity, and its experts are prominent in international climate research and negotiations.¹⁴⁹ SANBI published the Long Term Adaptation Scenarios (LTAS) which covered trends and scenarios for South Africa and summarised climate change implications for water, agriculture and forestry, human health, marine fisheries, human settlements and biodiversity. This is the knowledge that was used to inform this project. However, there are two limitations in this knowledge base. One is connected to uncertainties in hydrological data. The other is in knowledge of socio-economic impacts, and the lack of integration of sectoral responses. In general, these estimations may be conservative, as a result of the slow IPCC processes and the existence of feedbacks within the climate system that are difficult to predict.

Within this context, the project planning shows evidence of strong attention to aligning project windows with climate projections. For both districts, climate change projections (and current monitoring) indicate a strong certainty of increasing temperatures. The Mopani district can expect temperature rises of 1°C to 2°C within the 2020s, strongly felt in warmer summers. The 2050s can expect up to 3°C warming, and by the 2080s this will rise to 5°C or 6°C, depending on the success or failure of global mitigation measures. A similar range of temperature increases is projected for the Namakwa district: of 1°C to 2°C within the 2020s, 3°C in the 2050s and 5°C by the 2080s, more strongly inland than in the coastal areas. Rainfall predictions show less certainty in both districts, with weak trends of increased rainfall in some seasons and areas, and declining rainfall in others. Rougher seas and impact on fisheries are also noted¹⁵⁰.

Given these alarming projections, especially in the latter half of the century, there is a risk that the adaptation measures adopted through this project will be insufficient in the medium to long term. This is not to detract from the important adaptation measures taken in the short term, but is a sobering reminder that there may be limits to in-situ adaptation in the long term.

Overall Rating (Summary)

Dimension	Discussion	Rating
Financial and economic	There is income generation associated with some projects which will enable a level of sustainability. However there is no comprehensive support for additional funds now that SGF is closed and there is a risk of diminishing international climate finance.	Moderately likely
Socio-political	Efforts were made to ensure political buy-in to this project at local, district and national scales and there is general support and goodwill. Crime, poverty and inequality remain high risks for any project in South Africa.	Moderately likely
Institutional framework and governance	There has been limited effort to embed lessons from the pilot into policies and practices at scale, although efforts are underway to secure additional international funds through the GCF.	Moderately unlikely
Environmental	The Namakwa and Mopani projects were well conceived in terms of environmental aspects. There are concurrent	Moderately likely

¹⁴⁹ Ziervogel et al, 2014

¹⁵⁰ SANBI, 2013. Long Term Adaptation Scenarios (LTAS)

environmental risks at scale in these two districts and South Africa. Climate change will bring additional environmental risks, such as pests.

Uncertainties on climate change impacts— baselines	South Africa’s climate science is strong but there are inherent uncertainties in the modelling, and particular uncertainties regarding hydrological information and socio-economic impacts.	Moderately likely
Overall Rating		Moderately likely

Table 14: Risks to sustainability ratings

Key

Likely: There are no or negligible risks that affect this dimension of sustainability/linkages.

Moderately likely: There are moderate risks that affect this dimension of sustainability/linkages.

Moderately unlikely: There are significant risks that affect this dimension of sustainability/linkages.

Unlikely: There are severe risks that affect this dimension of sustainability/linkages.

6.2 Evaluation of Project Contribution to the AF goals

This section evaluates the contribution of the SGF Project against the AF goals, impact and objectives. The intention is to consider whether the SGF integrates with the AF strategic outcomes and the subsequent results that can feed into the AF results-based monitoring system.

SGF contribution to the AF Strategic framework

Contribution towards	Discussion	Rating
AF Goal	<p>The AF goal at the start of the SGF project: Assist developing country Parties to the Kyoto Protocol that are particularly vulnerable to the adverse effects of climate change in meeting the costs of concrete adaptation projects and programs, in order to implement climate resilient measures.</p>	Satisfactory

certified expertise took a high proportion of SGR budgets that they thought could be better used elsewhere (e.g. to expand the number/extent of assets).

AF Impact	<p>The AF goal at the start of the SGF project: Increased resilience at the community, national, and regional levels to climate variability and change.</p>	<p>As mentioned above the concrete adaptation measures that were implemented are likely to be an effective buffer against climate change in the short to medium term and to enhance livelihood strategies. Particularly significant for building resilience at a local level is the capacity that has been built in 12 SGR's working in Mopani and Namakwa. Some of these SGRs work in other areas. There is limited evidence of increased resilience at a national and regional level. The SGR projects are good proof of case projects that could be used by local municipalities and national government to promote further initiatives. However, the Project is not well known in South Africa with more emphasis having been placed on communicating the project process and successes on a global scale. The NAFAB, a reference group within SANBI is the most significant body for ensuring lessons learned are integrated at a national scale.</p>	Moderately satisfactory
AF Objective	<p>The AF goal at the start of the SGF project: Reduce vulnerability and increase adaptive capacity to respond to the impacts of climate change, including variability at local and national levels.</p>	<p>The contradictions within the pilot have important lessons for how the AF designs its project/ programme support for Enhanced Direct Access projects . Organisations can be vulnerable not only to climate change but to the way in which climate change finance is managed. The way financing is reaching local actors can be detrimental but this can be guarded against. It is evident, from the project that local level actors have the networks in place to implement local level climate adaptation projects. What is less clear is whether national institutions have the capacity to govern and manage these initiatives and ensure that they are scaled-up. Thus the vulnerability lies within the</p>	Moderately Satisfactory

institutions that are tasked with managing EDA projects.

Table 15: Project contribution to AF goals ratings

Key

Highly satisfactory: The project/programme had no shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Satisfactory: The project/programme had minor shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Moderately satisfactory: The project/programme had moderate shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Moderately unsatisfactory: The project/programme had significant shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Unsatisfactory: The project/programme had major shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Highly unsatisfactory: The project/programme had severe shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

How project indicators report into AF strategic outcomes, outputs, indicators and targets.

Small Grants Facility		Alignment with Adaptation Fund		
Project outcome3	Indicators	Output	Output indicator	Achieved by project
Increase climate resilience in production landscapes and socio- economic systems in vulnerable communities in two pilot District Municipalities in South Africa, by working directly with local stakeholders and anticipated beneficiaries through a small granting mechanism.	Number of vulnerable community members with reduced risk to climate-driven impacts as a result of project interventions.	Output 6: Targeted individual and community livelihood strategies strengthened in relation to climate change impacts, including variability.	6.1.1 No. and type of adaptation assets (physical as well as knowledge) created in support of individual- or community-livelihood strategies.	34
Small Grant Recipients and associated institutions are empowered to identify response measures to climate induced vulnerabilities, and implement relevant climate change adaptation projects	Number of grant recipients with increased capacity to implement climate change adaptation projects.	Output 2.1: Strengthened capacity of national and regional centres and networks to respond rapidly to extreme weather events	2.1.1. No. of staff trained to respond to, and mitigate impacts of, climate-related events.	56
A methodology for enhancing direct access climate finance is developed, based on lessons learned, providing recommendations for scaling up and replicating in South Africa and beyond.	Number of methodologies for enhanced direct access to climate finance.	Output 7: Improved integration of climate-resilience strategies into country development plans	7.1 No., type, and sector of policies introduced or adjusted to address climate change risks.	0

Table 16: Alignment of project indicators with AF indicators

6.3 Evaluation of M&E Systems: dimensions and ratings

Due to resource constraints and in discussion with SGF management, the evaluation team have done a ‘light-touch’ assessment of the M&E system and advise that a full assessment should be done on the SGF M&E system before the SGF is replicated or upscaled. This full evaluation should include recommendations of the kind of M&E system that is more appropriate for supporting innovation, learning, sharing and accountability so as to align with the 2018-2022 AF mid-term strategy. The ratings below only speak to the higher level M&E system. Evaluators did not have the capacity to assess each individual project and each SGF’s M&E system.

M&E plans	Discussion	Rating
	<p><i>Design:</i> In the proposal it was envisioned that EE would develop a nested M&E framework at all levels of reporting. For example, FAs could report on financial status during regular site visits and these would fit into the EE’s M&E framework¹⁵¹. Similarly, regular financial reporting conducted by the EE would feed into their broader reporting procedures and reflection. The M&E design was limited to monitoring-for-compliance and gathering data. Although not integrated in the M&E design, early attempts were made to develop a learning and knowledge management strategy this was not integrated with M&E or implemented.</p>	Moderately unsatisfactory
	<p><i>Implementation:</i> Overall, M&E was not innovative and was viewed more as a form of policing than designed for learning and developing adaptive capacity. Information generated from M&E moved up the financial chain for the purposes of accountability. Mistakes were viewed as black marks and seldom as opportunities for learning. As reported in the MTE the M&E systems have prioritised the creation of systems for compliance and so focused largely on data collection and reporting. The data generated from the monitoring has not necessarily been used to its full advantage to upscale learning or to mirror back learning across the different projects. The MTE provided examples of synthesis reporting for how data can be turned into information/knowledge for more intentional learning. However this was not taken</p>	

¹⁵¹ Adaptation Fund: South African Proposal

up due to time constraints and the demands on all organisations to monitor for compliance. Case studies were developed based on reflection and learning events facilitated by independent consultants. More innovative M&E was brought in through the MTE which resulted in an increase in learning activities at the level of EE, FA and SGRs.

The learning aspect of M&E also seems split between the implementation arm: EE, FAs and SGRs and the oversight arm: NIE, PAG and NAFAB, with a significant gap between the two. It is unclear how knowledge gained from reflections and experience are mediated across this gap in a way that leads to a process that generates systemic insight.

Budgeting and funding for M&E activities: The M&E received 14% of the budget which is in line with international norms. However the majority of this budget was spent on monitoring-as-compliance with the MTE providing the first learning opportunity within the M&E framework.

Indicators	The indicators focused on delivery towards outputs, financial data and risk assessment with one section on lessons learned. At this high level of reporting the focus was on monitoring-for compliance. It is beyond the scope of this evaluation to review each SGR’s monitoring and evaluation strategy.	Moderately Satisfactory
Project baselines	The overall Project baselines are all set at zero which is appropriate for the kind of indicators that were adopted but does not reflect existing knowledge or capacity, which is a key omission in a project aiming to empower institutions and strengthen responses. An opportunity was missed to develop baselines for ‘empowerment’, against which change could be measured. This was raised early by an M&E specialist and is picked up by the PMT in their close out reflections but not taken up by the Project. It was reported that baselines for the individual projects were often not done to standard. Reviewing baselines for each SGR project is beyond the scope of this evaluation.	Moderately unsatisfactory
Alignment of Project/Programme	Project results and achievements were reported at the level of National M&E frameworks.	Satisfactory

M&E Frameworks to National M&E Frameworks Showing alignment. The effectiveness of this alignment was not assessed.

Table 16: Evaluation of M&E systems discussion and ratings

Key

Highly satisfactory: The project/programme had no shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Satisfactory: The project/programme had minor shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Moderately satisfactory: The project/programme had moderate shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Moderately unsatisfactory: The project/programme had significant shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Unsatisfactory: The project/programme had major shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

Highly unsatisfactory: The project/programme had severe shortcomings in outcome achievement in terms of relevance, effectiveness and efficiency

The AF guidelines require the NIE to follow a results-based framework using the DAC criteria and compliance with the ESPs. Within this framework the NIE can design their own M&E process. M&E is evolving in the AF based on reviews of the current AF M&E framework¹⁵² and there is currently a reference group reviewing M&E within the AF. The design of M&E for the SGF is also limited by the restrictions of the National Treasury on the NIE. It would be useful to investigate what M&E system is possible within South African fiscal policies. There have been international shifts in evaluation design for innovative projects such as developmental evaluation¹⁵³ that encourages learning by doing and evaluations that enable reflexive practice early on in the project with the intention of allowing space for continual adaptation. If a development approach to evaluation was adopted at the level of AF this may have given the NIE and EE leeway to design an M&E system that encouraged monitoring-as-learning and embedded learning as part of the project management system. As it stands, the lessons learnt from this project have not been encouraged by the day to day M&E system. The draft case studies that are still to be completed start moving towards documenting learning.

The MTE highlights how the ‘preoccupation with creation of systems that serve both compliance and responsiveness requirements, and then management of processes to run these smoothly has meant that monitoring and monitoring systems have focused largely on data collection and reporting.’¹⁵⁴ The MTE developed examples of synthesis reporting with recommendations on how this form of reporting could be used for more intentional learning, strategic thinking and decision making. The MTE described this form of monitoring as ‘monitoring as learning’ which Quinn Patton¹⁵⁵ refers to, as a feature of developmental evaluation, as rapid and real time feedback in user-friendly forms that nurtures learning. This requires the capacity to capture important and emergent patterns (a point raised by members of the NAFAB although not articulated in this way – See outcome 3). A further recommendation from the MTE was that this move from ‘data collection for compliance’ to ‘monitoring as learning and accountability’ would have provided evidence to enable a thorough and systematic

¹⁵² AF NGO network interview, August 2020

¹⁵³ Quinn Patton, 2017; Quinn Patton, 2010

¹⁵⁴ Soal & Diedricks, 2018. p. 35.

¹⁵⁵ Quinn Patton, 2010.

end-of-project evaluation. This is different to the original project design where M&E focuses on results based monitoring for reporting against accountability.

7. Conclusions and recommendations

7.1 Summary of findings

The evaluators conclude that the context of this project – from local to global – played a critical role in determining why progress was made in some areas and not in others. Without understanding how this project was implemented *within this context* it will not be possible effectively upscale or replicate this project.

Despite very challenging circumstances, the SGF Project was largely successful in meeting its great ambition to get resources to those most vulnerable to climate change. The identification of local NGOs to act as SGRs and FAs was a critical success factor, as was the identification of ‘investment windows’ through vulnerability studies in each area.

The reach and positive impact on people’s livelihoods and adaptive capacity through assets, learning and networks was considerable; as was the contribution to building administrative and financial capacity within SGRs. Rainwater harvesting, reservoirs, water-wise irrigation, shade-cloth, cooling sheds, solar pumps, fencing, land-contouring, livestock breeding and animal shelters were some of the assets invested in to improve food-production. Poultry, biogas-digesters, safety-at sea technology, savings clubs and access to markets complemented these efforts to reduce risk, improve livelihoods and strengthen the sustainability of the projects. This level of careful, appropriate investment has significantly improved the lives of those directly, and indirectly connected with the projects.

However, this on-the-ground success came at some cost. All organisations contributed significantly both materially and in-kind to the Project, beyond what they had anticipated. The system of oversight, management and compliance was confusing and overwhelming, particularly for organisations lower down the financial chain. This was felt particularly in relation to financial management and disbursement, environmental and social policy (ESP) and gender compliance, obtaining licenses, reporting and contracting. Delays in project implementation (both start dates, and pauses during the project) as well as delays in receiving funds were extremely stressful for SGRs and impacted negatively on their reputation and relationships with communities in which they work.

There was an assumption in the Project that local organisations needed their capacity built to engage with requirements of international climate finance; whereas there was little reciprocal recognition that organisations higher up the finance chain needed their capacity built to engage at this local level. This skewed view was evident also in how local knowledge and capacity was almost invisible or seen as less important than that of climate scientists or practitioners working at national and global scales.

The three-tiered governance model of the SGF helped to buffer SGRs from the risks of receiving international financing, although there was a lack of capacity amongst top tiered institutions to implement a governance and management system that could centre the realities of on-the-ground institutions. One of the manifestations of this lack of capacity was a growing tension between the NIE and EE that contributed to significant delays in the Project as mentioned above. This led to a significant breakdown in trust within the management system that directly impacted on local community relationships, resulting in a loss of relational agency, which is a significant a risk to local communities and their ability to adapt.

The evaluators identified a tension in the Project between the need to show success and allowing mistakes or ‘failures’ to surface as learning opportunities, which, as a pilot, should have foregrounded. The likelihood of scale up and replication are difficult to assess at this time because: 1) although this Project has been shared with oversight bodies that include national and local policy makers, it is beyond the scope of this evaluation to trace the extent to which this has or may be taken up through national strategies and local IDPs, 2) documentation and sharing has not been completed at the time of the evaluation, and 3) it is not clear how ongoing support to the existing SGR projects will be resourced, which is needed because the implementation time frames were too short to ensure sustainability of new practices and maintenance of assets.

7.2 Insights and lessons to draw on

In developing recommendations, the evaluators have drawn from 1) what worked and needs to be taken forward, 2) what was learnt that needs to be adapted to and 3) contextual factors that need to be considered. These are captured at three different levels in the tables below:

Insights and lessons for design, governance and implementation of SGF at level of implementation

What worked and needs to be taken forward	What was learnt that needs to be adapted to	Contextual factors that need to be considered
<p>Design of the SGF and navigating challenges of moving finances from international to local scale included:</p> <ul style="list-style-type: none"> • Buffering local organisations • Capacity support • Learning budget • Designed as pilots for learning • Working with FAs and SGRs who understand local context and local networks • Design to draw on local networks and local expertise. <p>Mechanisms that were vital for ensuring success of project:</p> <ul style="list-style-type: none"> • Investing in infrastructure and assets 	<ul style="list-style-type: none"> • Reporting and operational systems were not aligned to reality on the ground. • Risk to SGRs was not centered, in particular risk to reputation and trust within communities. • Power dynamics came into play in unexpected ways which led to miscommunication and tensions around how implementation decisions were made. • Local knowledge is critical to successful on-the-ground projects, but was not always viewed seriously or engaged 	<ul style="list-style-type: none"> • Complex differences between how formal and informal economic activities account. • A decline in good climate science could have a detrimental effect on future SGF initiatives. • Length of time it takes to secure licenses

<ul style="list-style-type: none"> • Inter-district learning events • Professionally facilitated learning • Good climate science in South Africa to inform risk assessment 	<p>with adequately. The lesson is not only to take into consideration local information but also to understand the importance of knowledge about networks, about local capacity and structures and about the local environment</p>	
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Insights and lessons for SGF governance within broader SA context of climate adaptation

What worked and needs to be taken forward	What was learnt that needs to be adapted to	Contextual factors that need to be considered
<ul style="list-style-type: none"> • Governance and technical advisory structures included representatives from key government departments at local, district and national levels. • Networks of different kinds of NGOs, government agencies and technical experts brought a range of skills and expertise into the SGF. 	<ul style="list-style-type: none"> • The multi-layered management and governance system was at times cumbersome and did not always allow for effective and timely adaptive management. • Systems of accountability and decision making differ at different scales, and between formal and informal economies, which needs to inform design, implementation and management of adaptation projects. Different organisations in the governance system are held accountable to different due diligence systems which can create tensions. 	<ul style="list-style-type: none"> • Power dynamics with receiving international funds. These do not have to be cascaded down to ground level but managed at the appropriate level. Learning how to do this is required.

Insights and lessons for SGF as EDA within context of international climate financing

What worked and needs to be taken forward	What was learnt that needs to be adapted to	Contextual factors that need to be considered
<ul style="list-style-type: none"> • Money went to SGRs rather than directly to beneficiaries. • It is necessary to have intermediate organisations between on-the-ground implementers and international climate finance. 	<p>Implementation of design revealed the following contradictions:</p> <ul style="list-style-type: none"> • Need for accountability and systems of ensuring accountability not contextually sensitive. Different scales of risk not prioritized equally and to the detriment of relational capital. • Lack of trust, leading to blame, fed into compliance administrative system 	<ul style="list-style-type: none"> • Perception that the international financial context is rigid. It is, like all spaces, a contested space and thus an opportunity. • AF's strategic pillars include adapt and learn. At least on paper, this is not a rigid position. • Shifts in international climate finance terms and conditions will not always align with needs and timing of local

	<p>hampered adaptive management.</p> <p>The lesson is that tensions need to be viewed as spaces of learning and innovation at all scales. Learning is needed to innovate around governance structures that align accountability with reality on the ground. Learning processes should be evidence based. (This challenge is faced not only in SA, which points to it being a systemic issue that requires investigation and learning.)</p>	<p>adaptation projects, which means that local projects and organisations may need to be “buffered”</p>
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The following recommendations focus on what needs to be considered to strengthen the practice of enhanced direct access (EDA). The recommendations were developed through interviews with participants, a mirror-back workshop with PAG, as well as the project close-out reports which reflect not only project experience on the ground, but also careful reflection by project beneficiaries and SGRs. They are drawn from success factors (what worked), from lessons that emerged and from a reading of context.

These recommendations are intended to contribute to the finalisation of the methodology developed through this project.

The recommendations are grouped by level at which they can be applied. Each recommendation is presented in **bold** followed by an explanation. The evidence and supporting analysis is in the body of the report.

Design, governance and implementation of SGF at level of implementation

1. **Manage pilot projects as learning projects.** Have an approach that expects and deals with mistakes (turns them into learning opportunities), as a part of adaptation project culture. This requires a different compliance and risk management approach, that is integrated into a learning framework.
2. **Innovate with administrative and operational systems that centre local realities.** Lighten the administrative and reporting burden, align it more closely with operational realities, show flexibility as projects learn, increase top decision makers’ familiarity with operational conditions on the ground through field visits, and explain contexts, for example that some formal economy requirements are not appropriate or even possible in informal economies based on trust relationships and with fewer “service providers”.
3. **Support NGOs more practically.** Realise the extent of support that the NGOs in the middle of the funding chain provide in all phases of implementation. Support staff time (budget for staff time), and do not exhaust their resources by requiring them to subsidise implementation beyond what has been agreed.

4. **Give longer implementation time frames.** The development of prototypes such as shelters takes time. Allow time for a process of blending engineering and local knowledge, and allow time for the demonstration effect. Changing practices, e.g. mulching, need more than one season to be tested, understood and integrated into people's practices.
5. **Provide ongoing support to SGRs and support them to play the role of mentors in a supported replication strategy.** At the pilot sites, continue support to the current beneficiaries and SGRs until there is a clear exit strategy. The SGF should also consider funding a follow up project in which the SGRs, using and strengthening existing networks, from this project share their knowledge, invite other, similar communities to demonstration or exchange visits, to encourage the development of adaptive capacity more broadly in their districts and in South Africa. This should be a funded mandate.
6. **Recognise and integrate local and indigenous knowledge.** Resilience can only be strengthened by building on existing local and indigenous knowledge. Although this was stated as a project intention, it was insufficiently executed in some projects, and at times local and indigenous knowledge was undermined. Project design, implementation, asset design and maintenance is required to actively seek out and integrate existing indigenous and local knowledge and deepen it through respectful co-creation principles. Recognise existing knowledge, and that knowledge relevant to building adaptation capacity comes in many forms, not only scientific knowledge. It means knowledge of social processes, networks, local landscapes and local governance. Be aware of language, including technical language, and the power dynamics they set up.
7. **Develop, strengthen and support local networks.** Creating a supportive network of institutions nationally and locally should be a conscious goal. Plan and work specifically to embed climate change adaptation and resilience locally. Such work should not assume full functionality at local level, for example in provision of services, but be realistic about what conditions on the ground are. Local government Integrated Development Plans (IDPs), for example, are good planning instruments, but in practice often not democratic, inclusive, or reflective of reality. Nevertheless, they should be improved rather than replaced, and efforts should continue to embed climate change adaptation in them. Work with civil society. Work with allies in the government at middle levels.
8. **A focus on women is critical for sustainability, because women are custodians of natural resources.** A gender focus has worked easily in some projects (for example food gardens) while in other projects it has met with entrenched patriarchy (for example land ownership), but mediated through local customs to include women. The emphasis on gender rights is well intentioned, but requires long term change and careful work. In difficult circumstances these requirements should not be allowed to prejudice projects.

- 9. Foster sustainability practically.** Integrate projects into local and national plans of district municipalities, and the departments dealing with fisheries and agriculture, for example. Climate change impacts are set to worsen over the coming decades, and more than these projects will be needed. Functional national and subnational institutions will need to extend support to both build livelihoods resilience and protect production (e.g. rooibos, red meat and fisheries, access to water and energy). This needs a championing role, possibly from the NIE, vis-à-vis other government departments, including district and project level interventions where necessary to support projects on the ground.
- 10. Pay attention to the capacity that needs to be built at all organisational levels within the project** (NIE, EE, FA, SGR), not only at the ground level. Learning how to bind different organisational contexts together is a core capacity that EDA is aiming for. An example is the insight that adaptive capacity needs to function within informal economies.
- 11. Balance learning and compliance.** An overemphasis on compliance can displace learning and erode trust at all scales. There needs to be a balance and relationship between what is required for compliance and what is good enough as we learn which was not achieved in the project.
- 12. Lobby to keep climate science in South Africa at current high level, and watch for danger signs.** Climate science is of high standard, and projects were very relevant to climate impacts. However there is concern that inputs needed for modelling are incomplete, for example hydrological data, as a result of shortfalls in government monitoring.
- 13. Invest more in understanding socio-economic issues and project contexts.** Climate science and adaptation funding have been strong competencies as can be seen from the very competent work in vulnerability assessments, for example. However there is a need to understand and deal with socio-economic issues as they affect both planning and operational issues, as well as dealing with factors that determine sustainability. This could take the form of more detailed, participatory contextual studies before or during the project planning phase, or stakeholder analysis (mapping) to determine which stakeholders can make or break a project. Such investment will add in developing adaptive management and responding to requests for project changes on the ground as they are needed.
- 14. Use community development skills to build adaptive capacity.** All organisations involved in the SGF funding chain or similar projects should have an understanding of

the realities and challenges, and the skills needed for rural and community development since this is the core activity in building resilience and adaptive capacity.

15. Do not require climate change discourse (jargon) as a prerequisite for adaptation work. Be prepared to use ordinary concepts that do not derive from climate change jargon. The ability to use climate change jargon is not a reliable indicator of climate adaptation understanding and should not be imposed as a requirement for participation in adaptation projects. Rather, climate specialists should learn to mediate concepts and background knowledge in terms that are understandable or familiar to communities, and can be used by them with confidence. However this does not mean that climate change knowledge should not be shared in depth.

16. Shift decision-making authority closer to the ground as a central tenet of the EDA mechanism. SGBs and SGRs need greater authority to make on-the-ground decisions in real time to strengthen their adaptive capacity. SGRs and locally based FAs are in a better position to assess and mitigate against risks to their livelihoods than organisations higher up the finance chain.

SGF as EDA within context of international climate financing

17. Distinguish between formal and informal economies. They operate in different contexts and have different requirements. Local communities need to adapt to climate change within the realities of their local economies, which are often informal. Therefore the capacity that projects build with and for them, should be appropriate to these (informal) economies. Compliance systems also need to be designed to be locally appropriate, for example tools for sole source suppliers.

18. Safeguard communities against the international dichotomy between development and climate funding. The separation between development and climate finance at an international level is important to ensure that new and additional finance is provided from developed to developing countries to adapt to climate change, in recognition of the principle of ‘common but differentiated responsibilities.’ However, the onus on local organisations to prove their work is ‘adaptation’ not ‘development’ is not helpful and runs counter to the intention and spirit of climate finance, which is to support those most vulnerable to climate change. At a local level adaptation and resilience is intrinsically connected to livelihood strategies, and many of the skills needed for adaptation are the same as those needed for development work. Conceptual clarity is needed at the start of the project regarding climate change linkages.

- 19. Develop and use a segmented risk management perspective that does not cascade risk downwards.** Project leaders should cushion parts of the funding chain closer to the ground from the stringent demands of global climate finance. Balance the international funding risks (which are real) with the risks at other levels which are just as real, for example NGOs and community organisations losing trust (social capital and relational agency) when there are delays or expectations which are not met (e.g. of numbers of beneficiaries, which are then cut to smaller numbers), as well as the exhaustion of NGO resources which are a risk to these organisations as well as adaptive efforts as a whole. Not managing risk – different risks from the international and national level – at ground level is self-defeating as it is at ground level that adaptive capacity is ultimately built. Designing *and* implementing the Project based on this segmented risk management perspective is needed.
- 20. Be realistic and supportive about legal compliance.** Requirements for licencing (such as water use and boat licences) delayed and immobilised projects due to no fault of their own. Compliance requirements should be more understanding of bureaucratic realities especially in informal economies, and this should be built into project time-frames. Where licensing is crucially important, more powerful actors in the funding chain should intervene to expedite slow licensing processes in favour of project communities.
- 21. Use international climate finance to leverage adequate adaptation resources.** Adaptation needs far outstrip what is available through global climate financing, and national resources have not been directed to this goal, and/or are not adequate. This project did not make explicit links to leverage additional finances in a systemic way. Climate change adaptation needs to be a funded mandate in the budgets of all relevant government departments.
- 22. Consolidate lessons learnt into publications aimed at different audiences to (1) support and (2) refine the implementation of Enhanced Direct Access.** Enhanced Direct Access is an important and innovative modality. The lessons learnt in this project are important and could contribute substantially to practice and policy in adaptation on the ground. However, current knowledge resources are scattered and difficult to follow. This should be done in collaboration with all project partners whose participation should be covered by funding. [It is also required in terms of outcome 3].
- 23. Motivate for ESPs and gender considerations to become guidelines that can be adapted to local contexts, rather than conditions.** Include processes during project planning and implementation that will strengthen ESPs and improve gender dynamics. For example, gender education through partnering with experienced facilitators and popular or adult educators.

24. **Conduct a review of innovative financial systems for small grants before implementing another SGF.** A key question of the review is to understand better the obstacles to timely payment from AF to SGR.

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8.2 List of project documents reviewed

A *General*

Pro-Doc (project proposal to AF)

SGF Inception report

Mid-term evaluation

Learning event reports

* PMT (project management team)

* Interdistrict

* Mopani

* Namakwa

B *Close out reports (Q4Y4 or Q1Y5)*

* Mopani (5 projects + 1 terminated early)

Exilite

Holani

Khanimamba

Ramotshinyadi

Tsogang

World Vision

* Namakwa (7 projects)

CLF

Concordia/CLB

EMG

Gondwana

Heiveld

KHF

Save Act

CHoiCe Trust

Conservation South Africa

SSN

PPR

C *Case studies*

1) Tale of Two Districts: Regional influences on the implementation of community-based climate change adaptation

2) Facilitating Agency Experiences: the important role of Facilitating Agencies in the Small Grants Facility implementation in two districts in South Africa

3) Participatory Project Development for Small Grants: Lessons learned from the Small Grants Facility Project funded by the Global Adaptation Fund

4) Adaptive Management: Enhancing Direct Access to Climate Finance

- 5) An Emerging Framework for Capacity Building: Reflection and response as part of Community Based Climate Change Adaptation
- 6) Community-Based Climate Change Adaptation: What does success look like?
- 7) Cascading Compliance: Lessons on achieving compliance within Adaptation Fund's Environmental and Social Policy requirements
- 8) Promoting Good Governance: Oversight and compliance support mechanisms within the context of Enhanced Direct Access and Climate Change Adaptation
- 9) A New Approach to Enabling Local Responses to Climate Change: learning from the Community Adaptation Small Grants Facility
- 10 SGF Case Study Introduction

D ***Other***

Financial reports - various

9. Annexes [to be completed]

Final evaluations should include, in text and as a main section, all materials and bibliography, as well as a list of stakeholders/persons consulted during their design and implementation.

9.1 Terms of reference for conducting the evaluation.

To be inserted by SSN (the TE team only have pdf version)

9.2 Official response from the project management team regarding the evaluation findings or conclusions

To be written by PMT