Climate Investment Funds

SREP/SC.19/5
May 16, 2018

Meeting of the SREP Sub-Committee
Washington, DC
Wednesday, June 6, 2018

Agenda 5

# STOCKTAKING REVIEW OF SREP MONITORING AND REPORTING SYSTEM (SUMMARY)

## PROPOSED DECISION

The SREP Sub-Committee, having reviewed the document, SREP/SC. 19/5, *Stocktaking Review of SREP Monitoring and Reporting System*, recognizes the importance of an effective SREP results framework and welcomes this assessment of the effectiveness, relevance and utility of the SREP M&R system.

The Sub-Committee notes the progress that has been made in advancing the SREP monitoring and reporting framework and appreciates the inclusive, participatory and consensus-based approach used during this review.

The Sub-Committee endorses the conclusions and recommendations of the stocktaking review and approves the revised results framework.

1. In 2018, a stocktaking review of the Scaling Up Renewable Energy in Low Income Countries Program (SREP) monitoring and results (M&R) system was conducted at the request of the SREP Sub-Committee (December 2017). The review provided an in-depth assessment of the effectiveness, utility, and relevance of the SREP M&R system and examined ways to address challenges faced during the three years of its implementation.

2. Following a documentation review[1], stakeholder interviews[2], and a concluding validation workshop with the MDBs, the stocktaking review produced a final report with these key findings and recommendations that have informed improvements to the SREP M&R process, including updating the SREP Results Framework.

3. **<u>9 key findings</u>**

   i. Greater attention is needed to **capture information at early stages of project implementation,** such as the project progress and results information collected by MDBs.
   ii. **Enabling environment** projects do not fit well in the current set of SREP core and co-benefit indicators as these projects do not expect to provide access to energy.
   iii. Co-Benefit Indicator 1 on **finance leveraged** is essential to understand the level of additional finance. It is the only SREP indicator that is included in all annual SREP M&R results reports, and almost 60 percent of projects have already reported leveraged investments.
   iv. **Capacity** is a very useful indicator to know the potential energy generation of a project. **Indirect capacity** is well suited for 'upstream' renewable energy projects, such as exploratory geothermal or transmission lines for mini-grids. **Direct capacity** is well suited for projects with the direct aim of generating renewable energy.
   v. Aggregating **energy access data** with the current indicators is challenging because of the different units used (number of people, businesses). Also, very few projects currently use a multi-tier approach for defining energy access (e.g., outage duration).
   vi. Core indicator 2 on energy access is formulated in a way that does not consider **other energy services** supported by SREP, such as improved cookstoves.
   vii. **Distinction between direct and indirect beneficiaries** would be useful to understand the difference between those directly benefitting from energy access or transmission and those indirectly from, for example, enabling environment projects.
   viii. **Some requirements** set out in the SREP M&R system are **not fully met** (e.g, the requirement to engage with recipient countries and share results presented in the annual SREP M&R results reports).

[1] Review of SREP policies, strategies, guidance documents, similar M&R toolkits; a portfolio analysis of indicators through MDB results frameworks for SREP projects; and a SWOT analysis of the SREP M&R system
[2] Interviews with key stakeholders, including four MDB team leaders, eight MDB focal point representatives, and five donor representatives from five MDBs and three donor countries

ix. The **gender impact indicator** is required at project/program completion or at mid-term review. Guidance provided in the toolkit under Co-benefit Indicator 2 lacks clarity.

4. **3 main recommendations**

i. **Request MDBs to share information** with the CIF Administrative Unit on more granular progress of SREP projects and programs utilizing their already-existing reporting systems and their projects results frameworks to bridge the gap of intermediary results.

ii. **Update SREP core indicators and co-benefit indicators** to better reflect the portfolio and results.

| **SREP results indicators per the 2012 SREP Results Framework** | **SREP results indicators per the 2018 SREP Results Framework** |
|---|---|
| **SREP Core Indicator 1**: Annual electricity output from renewable energy, as a result of SREP interventions (MWh) | **SREP Core Indicator 1**: Annual electricity output from renewable energy, as a result of SREP interventions (MWh) |
| **SREP Core Indicator 2:** Number of women and men, businesses, and community services benefitting from improved access to electricity and fuels, as a result of SREP interventions (number of beneficiaries) | **SREP Core Indicator 2:** Number of women and men, businesses, and community services benefitting from improved access to electricity and other modern energy services, as a result of SREP interventions (number of beneficiaries) |
| | **SREP Core Indicator 3:** Increased public and private investments in targeted subsectors as a result of SREP interventions |
| | **SREP Core Indicator 4:** Capacity (direct/indirect) (MW) from renewable energy as a result of SREP interventions |
| **SREP Co-Benefit Indicator 1:** Increased public and private investments in targeted subsectors as a result of SREP interventions | **SREP Co-Benefit Indicator 1:** Increased/ strengthened regulatory, institutional, and policy frameworks to support the use of renewable energy |
| **SREP Co-Benefit Indicator 2:** Gender impact | **SREP Co-Benefit Indicator 2:** Gender impact indicators + other gender indicators |
| **SREP Co-Benefit Indicator 3:** GHG emissions avoided | **SREP Co-Benefit Indicator 3:** GHG emissions avoided |
| **SREP Co-Benefit Indicator 4:** Other development co-benefits, such as health (improved health and decreased air pollution), livelihoods (income generation, temporary and long-term employment), energy reliability, economic viability (renewable energy cost reduction, improved renewable energy policy and regulatory frameworks) | **SREP Other Development Co--Benefits:** Other development co-benefits, such as health (improved health and decreased air pollution), livelihoods (income generation, temporary and long-term employment), energy reliability, economic viability (renewable energy cost reduction) |

5. **Further adjustments and clarifications** to the guidance in the SREP M&R toolkit and to the definitions for some of the indicators will enhance the clarity and effectiveness of the system.