

# CLIMATE INVESTMENT FUNDS

CTF-SCF/TFC.8/10

April 13, 2012

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Joint Meeting of the CTF and SCF Trust Fund Committees

Washington, DC

May 1-2, 2012

Agenda Item 11

## **PROGRESS REPORT ON MANAGING FOR RESULTS**

### **Proposed Decision by the Joint CTF and SCF Trust Fund Committees**

The joint meeting reviewed document CTF-SCF/TFC.8/10, *Progress Report on Managing for Results*, and welcomes the progress that has been made in moving towards an increased results focus of the CIF programs. The joint meeting underscores that managing for results is a key element for assessing the success of the CIF, and that monitoring and evaluation and dissemination of lessons is critical for optimizing impacts. The joint meeting appreciates the progress that is being made in simplifying the results frameworks and requests the CIF Administrative Unit and the MDBs to make concerted efforts to submit proposals for revised results frameworks in each of the CIF programs to the respective Committees and Sub-Committees by November 2012. Countries and the MDBs are requested, once the revised frameworks are approved, to give priority to providing updated targets and baselines against the revised results frameworks

## **I. INTRODUCTION**

1. This document reports on activities undertaken by the CIF Administrative Unit (CIF) and the Multilateral Development Banks (MDB) to manage for results.

2. In response to the measures to improve the operations of the CIF, it provides information on CIF AU and MDB activities to (a) simplify and implement the results frameworks; (b) develop clear tools and guidelines as to how the results framework cascade to the country investment plan and project level; (c) develop web-based monitoring and evaluation platform; and (d) propose indicators of development or poverty reduction for each CIF-funded project or program.

## **II. SIMPLIFYING AND IMPLEMENTING THE RESULTS FRAMEWORKS**

### **Simplifying the results frameworks**

3. In accordance with the document CTF-SCF/TFC.7/4 *Proposed Measures to Improve the Operations of the Climate Investment Funds*, the CIF AU and the MDBs have started a process to simplify results frameworks. The SREP pilot countries and the SREP Sub-Committee reviewed a revised SREP results framework in March 2012. A final proposal will be presented to the SCF Trust Fund Committee for review and approval in May 2012.

4. The CIF AU initiated discussions with the PPCR and FIP pilot countries about revising the PPCR and FIP results framework during the pilot countries meetings in March and April 2012. MDB M&E experts will meet in May 2012 to advance work on the PPCR, FIP and the CTF results frameworks. It is envisaged that revised PPCR and CTF results frameworks will be submitted to the SCF and CTF Trust Fund Committees in November 2012, and a revised FIP results framework should be submitted to the FIP Sub-Committee in May 2013.

### **Implementing the Results Frameworks**

#### *Guidelines*

5. The current M&E guidelines for all programs will be revised accordingly once the simplified results frameworks are approved.

#### *Baselines and Targets*

6. Baselines and targets are keys in developing the basis for future evaluations of the CIF activities in the pilot countries. Preliminary analysis of the M&E sections of the investment plans has demonstrated that countries struggle with baseline and target development. MDBs and pilot countries have started to collect and develop baseline data though noted that it will be very complex and costly to get baseline data for all the indicators. Some pilot countries noted that the results frameworks and proposed indicators are too difficult for them to handle and suggested to consider “simplification”.<sup>1</sup> The process to simplify the CIF results framework might actually

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<sup>1</sup> See paragraphs 3-5 above.

facilitate the process to establish baseline data and monitoring. However, countries still need assistance from the MDBs in developing robust data sets and monitoring protocols.

7. The show cases and the pilot country meetings will also provide an opportunity to emphasize the importance of developing baselines and targets for the agreed core indicators as a basis for the reporting of the pilot countries and the MDBs to the Trust Fund Committees. It is expected that baselines and targets are available for all core indicators by July 2012 so that preliminary reporting against these benchmarks can start in November 2012.

### *Reporting*

8. CIF reporting will need to evolve over time from a focus on design and processes towards implementation progress and eventually results reporting. An M&E report is an opportunity for the CIF countries to inform themselves and others (stakeholders, partners, donors, etc.) on the progress, problems, difficulties encountered, success and lessons learned during implementation of programs and activities. The CIF M&E reports need to be seen primarily as a tool for measuring progress of countries towards some key indicators of low carbon and climate resilience as well as a communication tool transforming raw data into knowledge and learning.

9. The reporting will need to mirror the basic milestones in the development of the CIF programs with reporting requirements at (a) the project/program level; (b) the investment plan level; and (c) the global CTF/FIP/PPCR/SREP level. The reporting structure will follow the flow of information from the individual project/program up to the respective CIF program. Information in project/program implementation progress reports will be consolidated in investment plan implementation progress reports, in the CIF operational reports, and the CIF annual report.

10. CIF countries will need to coordinate the collection of information and data and ensure that it is consolidated at the country level and communicated to the CIF AU for reporting to the respective/relevant Governing bodies. This role will allow countries to (a) take the lead in ensuring a dialogue among development partners about progress in implementing a country program; and (b) consolidate and coordinate project/program output information across CIF activities in a country. M&E reporting provides the countries with the opportunity to tell their story to the Trust Fund Committees and the broader development community. Over time the reports will evolve from a process and portfolio focus towards results and impact. It is expected that, with the maturity of the portfolio, reports will move from anecdotal story telling towards robust evidence based impact reporting.

11. The following five phases in CIF M&E reporting are envisaged:

- a) Phase I: Integrating CIF M&E requirements into national M&E systems – telling the story about the institutional and organizational challenges
- b) Phase II: Establish baselines and targets to CIF specific indicators – setting the foundation for future progress reporting

- c) Phase III: Report on the development of the portfolio – informing about the progress in implementing the projects/programs
- d) Phase IV: Results Reporting – focusing on outputs and outcomes
- e) Phase V: Impact assessments and reporting – assessing and evaluating the success or the failures of CIF investments

12. CIF countries and the MDBs are encouraged to start to systematically report progress as soon as possible to develop a reporting culture which considers M&E reporting as part of sound program management and not as a reporting burden. It is expected that first country-driven M&E reports are submitted to the CIF AU by September 2012 for enhancing the results focus of the CIF annual report 2012

### **Monitoring and Evaluation show cases**

13. Based on the recommendations of the Joint Meeting of the CTF and SCF Trust Fund Committees and the MDB Committee, the CIF AU and MDBs have identified five pilot countries to show case implementation of the results framework in a first phase. An additional five countries might be added after the first set of show cases has been completed. The objective of the show cases is to use a selected number of CIF pilot countries as models on how M&E systems can be established in all CIF pilot countries. The show cases will be carried out using a participatory approach, outlining institutional settings (roles and responsibilities), and anchoring projects/programs in investment plan results frameworks (linkages). The show cases will provide a platform for dialogue with all CIF countries on the challenges and opportunities in establishing sustainable M&E systems.

14. Case studies will demonstrate how countries and country teams address these challenges through innovative solutions. They will provide other countries and country teams with information on how to address challenges and overcome barriers to integrating the CIF M&E requirements into national M&E systems or project/program results frameworks. The case studies will focus on the M&E function (a) at the investment plan level; and (b) at the project/program level. It is recognized that anchoring project/program M&E in the investment plan M&E and establishing a link between project/program outputs and investment plan outcomes at the catalytic/replication level is a particular challenging task.

15. The advantage of the case study approach is that the CIF AU and the MDBs can focus on a small set of countries and document the process involved in establishing the M&E system. Lessons emerging through this process will be shared with the other pilot countries in pilot country meetings and published in the form of M&E country learning briefs. In addition, it is envisaged that show case countries will take the lead in presenting and discussing their approach in a Partnership Forum 2012 session on establishing M&E systems for mitigation and adaptation. Table 1 shows the proposed M&E show cases by CIF program. The pilot countries have been selected based on (a) expression of interest from the pilot countries and the MDB teams; and (b) status of the program in terms of finalization of investment plans.

**Table 1: Proposed pilot countries for show case development**

<b>CTF</b>	<b>FIP</b>	<b>PPCR</b>	<b>SREP</b>
Mexico <sup>a</sup>	DR Congo	Cambodia Mozambique	Nepal <sup>a</sup>

<sup>a</sup> Mexico is part of the CTF and the FIP program. Nepal participates in the SREP and PPCR program.

16. M&E guidelines have been prepared for each CIF program, and countries and country teams have been requested to follow these guidelines to establish M&E systems and document the process. This documentation will help to capture the process undertaken for each major milestone. This information can then be shared and used to develop good practices for assisting other pilot countries in establishing M&E systems. Diversity in approaches is particularly encouraged to identify “many” solutions to common issues or challenges. It is expected that the show case development will help the pilot countries to develop coherent M&E systems which facilitate the implementation of a programmatic approach inherent in the CIF programs. This implies that countries will take the lead in consolidating data and report back to the Trust Fund Committees on progress in implementing the overall investment plans versus a project/program-driven approach focusing on the achievements of individual stand-alone projects/programs.

17. The CIF AU and MDBs are working with other institutions to support ongoing efforts within countries to promote Managing for Development Results (MfDR). The International Energy Agency (IEA), the United Nations Development Program (UNDP), the Deutsche Gesellschaft fuer Internationale Zusammenarbeit (GIZ), the UK Department for International Development (DFID) and the Regional Centers for Learning on Evaluation and Results (CLEAR) Initiative have expressed interest to work with the CIF in selected pilot countries to enhance M&E capacity. Many of these institutions have a comparative advantage in engaging medium- to long-term in capacity development because of their ongoing focus on capacity development in various areas in developing countries.

18. Show cases will be developed from March to October 2012. The development of show cases might need additional stakeholder consultations to provide the basis for a participatory M&E system in the future. Pilot countries and MDB country teams will take the lead in developing the show cases. The CIF AU will provide support in mobilizing (a) other institutions to support M&E capacity building; and (b) resources for the show cases. It is expected that pilot countries will present their show cases at the pilot country meetings scheduled to be held prior to the Partnership Forum in November 2012 in Istanbul, Turkey.

19. The following steps and timelines are proposed:

- a) February 2012: MDB Committee, CIF AU and country teams identified pilot countries for show cases
- b) March – April 2012: Selected pilot countries participate in pilot country meetings and discuss show cases with other pilot countries and MDB country teams

- c) May - July 2012: Analysis of existing M&E systems and identification of issues and challenges through a participatory process – engaging all relevant stakeholders
- d) September – October 2012: Preparation of presentations and background material for pilot country meetings and Partnership Forum 2012 in Istanbul, Turkey.
- e) Presentation of show cases in pilot country meetings and Partnership Forum in November 2012
- f) Finalization of show cases and sharing of experiences and lessons with a broader audience

### **III. THE CIF AND DEVELOPMENT IMPACT**

20. Poverty reduction is the mandate of most MDBs. The poverty reduction agenda is addressed in the context of the MDBs' country partnership strategy (CPS)/ country assistance strategy (CAS), etc. The CPS/CAS identifies the key challenges and sectors in reducing poverty. CIF operations– a project or program – are usually not standalone activities but part of the MDBs' overall country operations. Hence, CIF project/programs are in general aimed at poverty reduction.

21. PPCR and SREP are in nature designed to address explicitly poverty dimensions. The PPCR is aimed at vulnerable areas and groups in a country which are in most cases equal to the poorest segment of the population. Poor people are disproportionately affected by climate change and are the least likely to be able to adapt to climate variability or changes.

22. SREP aims to increase access to energy for the poor and provide energy for productive use to support economic growth. By definition, each program/project under these two programs will comprise development indicators. The FIP is aimed at forest based and forest dependent communities, which are the poorest of the poor. FIP investments aim to enhance productivity and wood fuel security through better management of forest-agriculture landscapes and clarification of access and tenure to ensure sustainability.

23. In CTF, the emphasis is on supporting economic development by providing additional supply of energy, improving competitiveness of industries by improving energy intensity, improving mobility of people, reducing negative health impacts and stimulating employment.

24. The MDBs will meet with the CIF AU in May 2012 to discuss the M&E approach across CIF programs.

### **IV. MONITORING AND EVALUATION SOURCEBOOK AND TOOLKIT PLATFORM**

25. Recognizing the need to provide CIF pilot countries with access to practical tools and instruments to assess and monitor climate change actions in their countries, the MDB Committee

and the CIF AU have developed an M&E sourcebook and a toolkit platform to provide countries with practical assistance in developing M&E systems to monitor and evaluate: (i) the investment plans; and (ii) the CIF financed projects/programs. The focus of the M&E sourcebook will be on the indicators and the related tools, methodologies, instruments to ensure a comprehensive and consistent reporting across the CIF programs.

26. The sourcebook and toolkit will be available internally on the CIF Global Support Program website (CIFNET) for the MDBs. The CIF AU and the MDBs are currently in the process of matching the indicators with appropriate methodologies, instruments and tools. There are many methodologies, instruments and tools available but they are often scattered and not linked to specific indicators. In some cases, there might still be gaps and the M&E toolkit platform provides a pointer for the MDBs to develop or refine methodologies, instruments or tools.

27. The official launch of the M&E sourcebook and toolkit platform is envisaged for April 30, 2012. The M&E sourcebook and toolkit platform will be field tested and further refined based on user feedback. The CIF AU will organize a series of webinars to broadcast the M&E sourcebook and toolkit platform to a broader audience and seek feedback in this first implementation phase.