

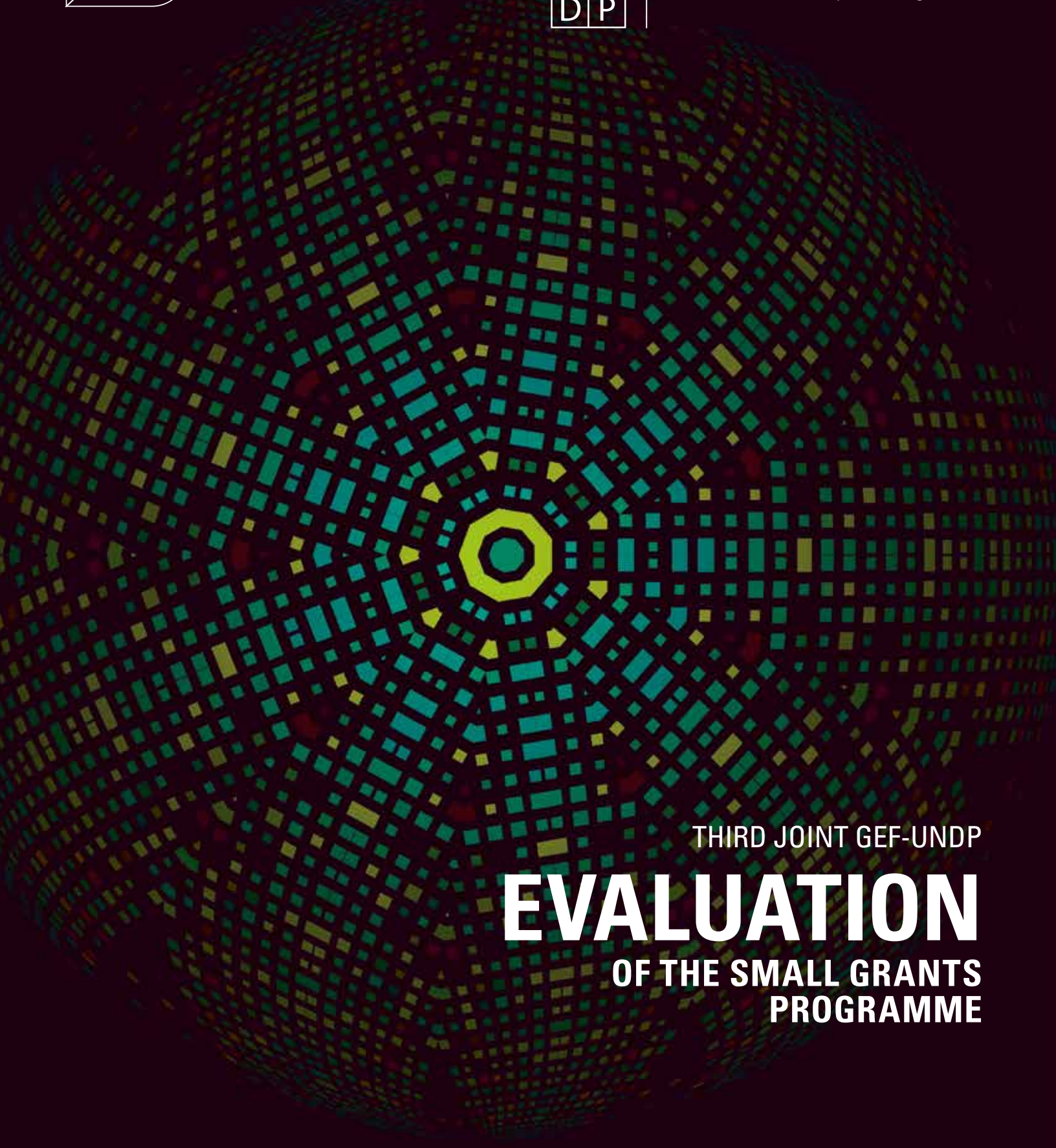


**Independent
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Evaluation Office**

United Nations Development Programme



THIRD JOINT GEF-UNDP

EVALUATION

**OF THE SMALL GRANTS
PROGRAMME**



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PROGRAMME

Third Joint GEF-UNDP Evaluation of the Small Grants Programme

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FOREWORD

This joint Global Environment Facility (GEF)-United Nations Development Programme (UNDP) evaluation of the GEF Small Grants Programme (SGP) is the third of its kind. It is released at a time when the SGP reaches an important milestone of 30 years of implementation and at a time of unprecedented global environmental and public health crises.

This joint evaluation aimed to report on the relevance, effectiveness, efficiency, and sustainability of the SGP at both global and local levels. Now a rich repository of experience, the SGP has completed six operational phases and supported over 25,117 small grant projects in 126 countries. Over the years, the SGP has both evolved and remained true to its initial mission.

The evaluation provides an overview of key results achieved since the second Joint Evaluation, and an analysis of the key factors of success, as well as an assessment of challenges in the period. In particular, the evaluation considers the long-term vision of the SGP, innovation, and inclusion, as well as factors affecting the sustainability of the programme at different levels. It pays particular attention to the “upgrading process” in which countries allocate part of their System for Transparent Allocation of Resources (STAR) to fund their national SGP programme.

This joint evaluation was, like many other initiatives, affected by the COVID-19 pandemic. Worldwide travel restrictions required the evaluation to avoid field visits, limiting local observation and information collection. To adapt to this situation, the evaluation used a mix of methods and triangulation of evidence to support its findings, including a global survey and

increasing its number of country case studies, which were conducted remotely with the support of a team of dedicated national consultants.

The evaluation found that the SGP continues to be highly relevant to the GEF Partnership, UNDP, and local partners. As a global programme that channels GEF and non-GEF resources to civil society and community-based organizations, it is unique and the only window through which small-scale, local organizations can access GEF resources. It has been consistent in contributing to social and environmental benefits in all the countries where it is present.

In light of the upcoming GEF Replenishment process and on the eve of its 30th anniversary, the SGP should reflect on its long-term vision and how it could further build on the results, goodwill, and social capital it has accumulated since it started in 1992. The GEF and UNDP should also engage in reviewing the current SGP upgrading policy, taking into account lessons garnered since the policy’s rollout in its fifth operational phase (OP5), resource requirements for continued expansion, and the future vision of the SGP.

The report and management response were discussed at the GEF Council meeting in June 2021, and submitted to the UNDP Executive Board at its June 2021 meeting.

It is our hope that the stakeholders of the Small Grants Programme at all levels will use the findings and recommendations contained in this report to further strengthen the programme and its operations at all levels, in the service of the global environment.



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ABBREVIATIONS

CBO	Community-based organization
CEO	Chief Executive Officer
CPMT	Central Programme Management Team
CPS	Country programme strategy
CSO	Civil society organization
GEF	Global Environment Facility
LDC	Least developed country
M&E	Monitoring and evaluation
NSC	National steering committee
NGO	Nongovernmental organization
OP	Operational phase
SGP	Small Grants Programme
SIDS	Small island developing states
STAR	System for Transparent Allocation of Resources
UCP	Upgraded country programme
UNDP	United Nations Development Programme
UNOPS	United Nations Office for Project Services

Note: All dollar amounts are in U.S. dollars unless otherwise indicated.

The nominal GEF replenishment periods are as follows:

Pilot phase: 1991–94	GEF-4: 2006–10
GEF-1: 1995–98	GEF-5: 2010–14
GEF-2: 1999–2002	GEF-6: 2014–18
GEF-3: 2002–06	GEF-7: 2018–22

EVALUATION SUMMARY

The Global Environment Facility (GEF) created the Small Grants Programme (SGP) in 1992 with the purpose of channeling support to local community-based organizations for addressing global environmental problems. The SGP is implemented by the United Nations Development Programme (UNDP), and the United Nations Office for Project Services (UNOPS) provides fiduciary and administrative support. A global Central Programme Management Team provides supervision and technical support to SGP countries. There are two main modalities for the SGP programme: a global programme, through which a group of countries receives an allocation from a common envelope (core resources), and the upgraded country programme, in which countries allocate a portion of their GEF System for Transparent Allocation of Resources (STAR) resources to their national SGP.

Each participating country has an SGP national coordinator, supported by a national steering committee composed primarily of civil society organizations. Activities in each participating country are guided by a country program strategy. The SGP awards small grants—up to a maximum of \$50,000 (and, on an occasional basis for strategic initiatives, \$150,000)—to local organizations to support the use of practices and technologies that benefit the global environment. Since start-up, as of February 2020, the SGP had supported 25,117 small grant projects in 126 countries.

This evaluation builds on the assessment of results and impacts of the 2015 joint evaluation and uses the previous evaluation findings as baselines against which to assess progress, without conducting an in-depth aggregation of country-level results from the small grants. The focus of this evaluation is placed on strategic issues that have arisen since

the last evaluation. This report is forward-looking and provides benchmarks against which to assess progress in the next evaluations.

The joint GEF-UNDP evaluation adopted a mixed-methods approach encompassing both quantitative and qualitative data gathering and analysis. Due to the pandemic, country visits were not possible, so the evaluation conducted 8 country case studies, representing both upgraded countries and global programme countries in all regions and at various levels of implementation (Argentina, Afghanistan, Botswana, Brazil, Burkina Faso, Egypt, and Mexico and Samoa multicountry [Cook Islands, Niue, Samoa, Tokelau]). A global online survey was administered to national stakeholders, gathering responses from 926 stakeholders worldwide. Other tools used included a literature review of all relevant documents; a meta-analysis of 17 terminal evaluations of all upgraded country programmes; an analysis of 22 SGP country programme strategy documents from the global country programme; a portfolio review of the detailed project and financial data in the UNDP Central Programme Management Team and GEF databases; a portfolio analysis of 95 small grant projects in the eight case study countries; and 203 interviews with global and country-level SGP stakeholders.

This report responds to key evaluation questions covering four main areas: (1) Relevance of the SGP, its vision, and key policies; (2) Effectiveness at local and global levels; (3) Efficiency and processes; and (4) Sustainability. The emphasis was placed on issues that emerged since the 2015 joint evaluation. Particular attention was given to the upgrading of SGP country programs and related policies, as well as to the factors influencing the achievement of results, such as innovation and inclusion.

The joint GEF-UNDP evaluation of the SGP reached the following conclusions and recommendations:

Conclusion 1. The SGP continues to be highly relevant to evolving environmental priorities at all levels. This relevance is a result of the type of activities that are being implemented with SGP support, as well as the way in which activities are implemented. In addition, the combination of environmental, social, and economic benefits contributes greatly to maintaining local relevance and boosting effectiveness.

Conclusion 2. The SGP shows high levels of coherence with the GEF programmatic framework and UNDP mandate, and demonstrates that it is possible to maintain internal programmatic coherence across 126 countries. There is consensus that the work of the SGP should continue to expand, though the means of such expansion are not fully clear to everyone involved.

Conclusion 3. Different stakeholders hold diverging and sometimes competing visions of the SGP, which has an impact on its overall governance, policies, and future directions. The lack of a unified vision leads to policy and operational ambiguities. Despite its agility over the years, the SGP's overall direction has been adversely affected by leadership changes, operational considerations, fluctuations in the financial envelope, and changing local circumstances.

Conclusion 4. The disadvantages and risks of the upgrading process outweigh its short-term financial advantages. Despite efforts by CPMT to inform country stakeholders upon upgrading, the potential disadvantages and risks of upgrading are not yet fully understood. The decisive factor in adopting an upgrading policy in OP5 was the inability (or unwillingness) of the GEF Replenishment to provide increased resources to the SGP that would align with requirements for expansion and programmatic development.

Conclusion 5. The SGP has been consistent in its delivery of environmental results at local, national, and global levels and in generating economic and social benefits. The evaluation found that the pace of environmental results achievement is stable compared to the 2015 analysis of country-level results. The SGP's inclusiveness, demand-driven nature, and innovativeness all contribute to its effectiveness at the local level. Importantly, the SGP benefits from high levels of ownership, visibility, and credibility—a form of social capital that can be both celebrated and built upon.

Conclusion 6. The pace at which the SGP repackages its programming framework in response to changing programming trends is not effective, because it adds complexity and the impact of new programmatic frameworks is not always felt at the local level.

Conclusion 7. As a unique mechanism that channels funds to civil society organizations, many of which are new to development work, the SGP promotes new ways of working that are flexible enough to adapt to local circumstances. Because it is demand-driven, and because it allows for controlled risk-taking by organizations who have little capacity or who have been excluded for other reasons, the SGP is uniquely placed to act as a promoter of technical, institutional, and social innovation.

Conclusion 8. The governance structure of the SGP is complex, and the upgrading process has complicated the lines of accountabilities even further. National Steering Committees and national coordinators have insufficient support to enable the SGP to tap into more of its current social capital and leverage additional partnerships at the national level to support broader adoption.

Conclusion 9. The improvements in efficiency at the global programme level have been weakened by challenges in upgrading countries. There has been improved management of the project cycle

for both the global programme and upgraded countries. However, these increases in efficiencies have trade-offs. The upgrading process has transferred a larger number of operational risks and transaction costs to developing countries.

Conclusion 10. The improvements made to the overall monitoring and evaluation (M&E) framework of the SGP have been significant, and more could be done to leverage the benefits of M&E in the future. The M&E system has been enhanced, however currently it does not provide sufficient granularity in the tracking of grants and grantees to support targeting of beneficiaries and to measure civil society organizations' capacity and maturity.

Conclusion 11. The measurement of sustainability in the SGP is not sufficiently nuanced to capture the nature of the work. In the cases where the SGP is offering first proof-of-concept financing, or working with newly constituted organizations, sustainability expressed in the strict terms of continued project outcomes is insufficient. Sustainability in the SGP requires an additional layer related to its intangible benefits.

Conclusion 12. The nature of interventions supported by the SGP entails that the pathways to sustainability of results of individual grants require additional investment. This could be leveraged to design strategies for identifying promising projects as well as for incentivizing sustainability. For example, the social economy model may provide avenues for including a broader cross-section of civil society organizations in the SGP while ensuring that initiatives remain financially viable.

Conclusion 13. The innovativeness of the SGP lies in the way it works with local partners, more than in the technologies or approaches it promotes. By building trust, reducing the risk in testing innovations, and fostering collaboration and dialogue, the SGP creates new conditions upon which the future of the sustainable development and conservation movement can take root. In many countries, that is the real innovation.

These recommendations repeat some that were made by the 2015 joint evaluation, but that have not yet been completed despite the commitments made in the management response. This evaluation reiterates their relevance and importance to the SGP today and in the future.

Recommendation 1 (to the GEF and UNDP). As recommended in the 2015 evaluation, the SGP should conduct a consultative process toward the formulation of an updated long-term vision for the SGP.

Recommendation 2 (to the GEF). In developing the implementation arrangements for the SGP, the GEF secretariat, in collaboration with UNDP, should provide the Council and the next replenishment with a detailed analysis of the impacts of a shrinking funding envelope on the operations of the SGP, the pressures placed on System for Transparent Allocation of Resources (STAR) allocations, demands to add new countries to the global programme without concomitant growth in core funding, and the risk of losing the goodwill and social capital the SGP brings to the GEF as a whole.

Recommendation 3 (to the GEF and UNDP). The SGP should reconsider whether it needs a continued upgrading policy. If upgrading is maintained, the SGP should rethink the means for its implementation in order to reduce the risks borne by countries and civil society organizations.

Recommendation 4 (to the Central Programme Management Team). The ways that SGP interventions are packaged, such as strategic initiatives, focal area results, innovation programmes, and Grantmakers Plus initiatives, should be simplified.

Recommendation 5 (to the SGP Global Steering Committee and the Central Programme Management Team). As recommended in the 2015 joint evaluation, the SGP should review and re-energize its governance at the global and national levels.

Recommendation 6 (to the Central Programme Management Team). The SGP should test new ways to track and aggregate the intangible results generated by countries benefiting from SGP inputs such as the benefits received from its capacity-building activities, monitoring and evaluation, communications, and knowledge management.

Recommendation 7 (to the Central Programme Management Team, UNDP, and the GEF). The approach to and measurement of sustainability in the SGP should be improved to capture the tangible and intangible benefits of the programme.

Recommendation 8 (to the Central Programme Management Team). The team should create operational mechanisms to improve and incentivize innovation and business-oriented approaches in country programmes.

Recommendation 9 (to the GEF). The GEF secretariat should apply the explicit, accepted accounting standards that are applied to the rest of the GEF portfolio when assessing SGP management costs.

1 INTRODUCTION

1.1 Introduction to this evaluation

The Small Grants Programme (SGP) of the Global Environment Facility (GEF) provides financial and technical support to communities and civil society organizations (CSOs) to meet the overall objective of global environmental benefits secured through community-based initiatives and actions. The SGP is financed by the GEF and other partners and implemented by the United Nations Development Programme (UNDP). There have been two joint GEF-UNDP programme evaluations of the SGP, completed in 2008 and 2015. In June 2019, the GEF Council approved the GEF Independent Evaluation Office (IEO) work programme that included an evaluation of the SGP as an important modality for GEF funding (GEF IEO 2019). The GEF IEO invited the UNDP IEO to conduct the evaluation jointly.

1.2 Overview of the small grants programme

The GEF created the SGP in 1992 with the explicit aim of developing community-led and -owned strategies and technologies for reducing threats to the global environment—notably in connection with biodiversity loss, mitigating climate change, land degradation and protecting international waters, and chemical and waste management—while addressing livelihood challenges. The SGP was originally conceived as a funding “window” into the GEF for small-scale activities to complement the larger GEF work programme. The principal strategy of the SGP is to provide small grants—to a maximum

of \$50,000¹—to needy communities to support the use of practices and technologies that benefit the global environment.

The SGP’s Monitoring and Evaluation (M&E) Strategy explains the different pathways in which the SGP delivers results at different levels (CPMT 2019). The SGP results model of change is presented in figure 1.

In this evaluation, the term “**programme**” refers to the Small Grants Programme as a whole. “**SGP country programme**” is the collection of small grants at country level. An SGP country programme is either funded as part of the “**SGP global programme/global country programme**” (GCP) from GEF core resources/System for Transparent Allocation of Resources (STAR) allocation or as a full-/medium-size GEF project as an “**SGP upgraded country programme**” (UCP). “**Small grants**” refer to the sub-grants provided in each country to civil society organizations (CSOs). The evaluation focuses on the SGP programme as a whole but makes distinctions between the global country programme and UCP when necessary.

The SGP is a GEF corporate programme implemented by the UNDP. The United Nations Office for Project Services (UNOPS), the executing agency of the global programme, provides financial and administrative support to the programme at the country and global levels. Overall strategic and programming directions, supervision, and technical support are given, first by the GEF Council and then by the SGP steering committee, chaired by the GEF Secretariat, then

¹ Grants are to a maximum of \$50,000; in practice the average grant amount is approximately \$25,000. Through a strategic projects window, grants up to \$150,000 are provided to better enable scaling up and to cover a larger number of communities within a critical landscape or seascape. At the time of writing, 81 active projects have a budget of more than \$50,000.

operationalized by a Central Programme Management Team (CPMT) based in New York.² Each participating country has a locally recruited SGP national coordinator and often a programme assistant. The national coordinator is often associated with and supported by the UNDP country office or hosted in a nongovernmental organization (NGO) that acts as a national host institution. Each participating country develops a country programme strategy (CPS) for each SGP operational phase (OP) that adapts the SGP global strategic framework to specific country conditions.³ The national steering committee (NSC) serves as the main decision-making body of the SGP at the country level, and provides overall oversight, guidance, and direction to the Country Programme.

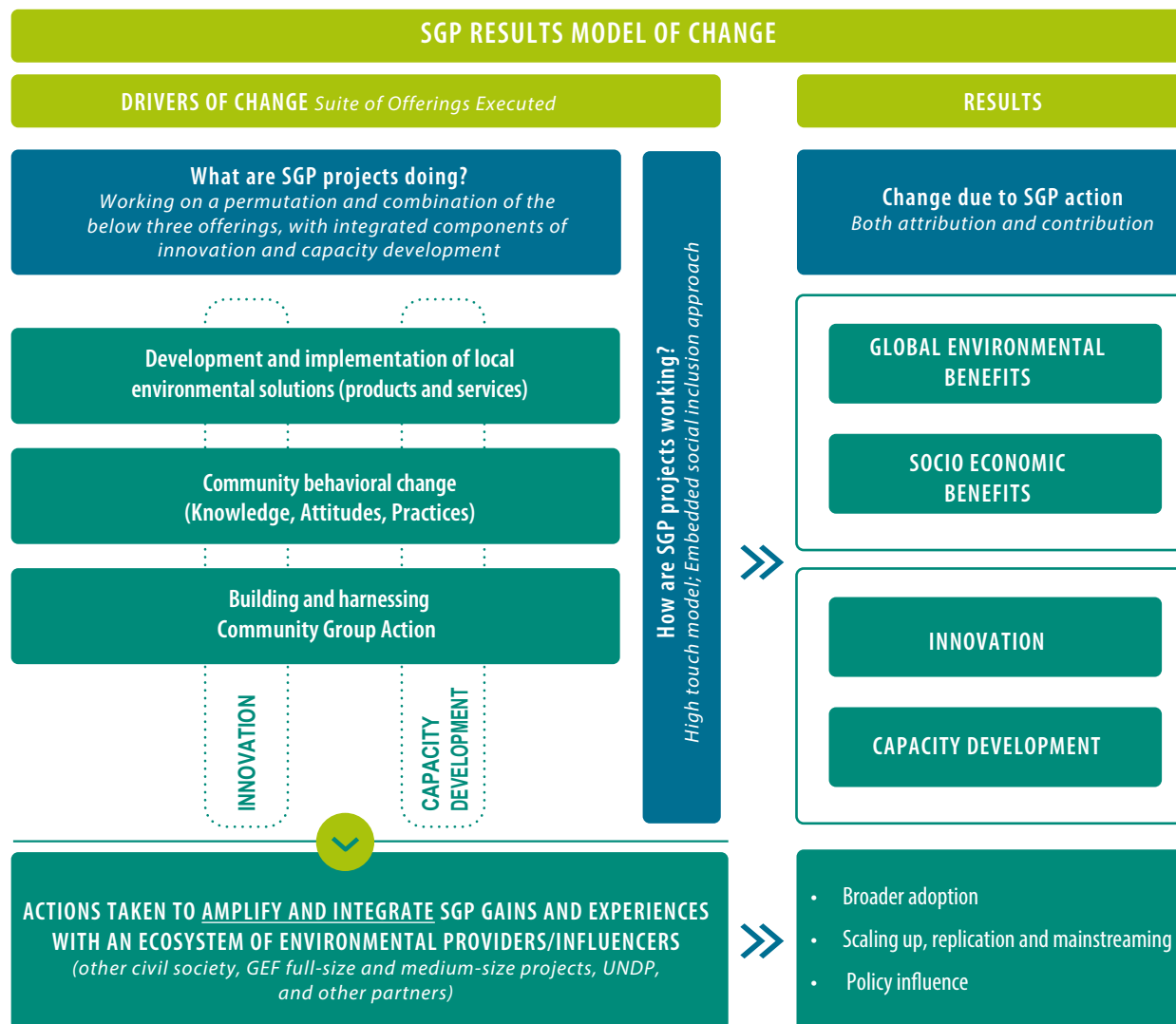
The NSCs, whose members are volunteers, typically comprise representatives from CSOs, government, academia, UNDP, and, occasionally, other GEF Agencies, as well as other cofounding donors, indigenous peoples' organizations, the private sector, and the media. While the UNDP resident representative and GEF operational focal point participate in their institutional capacity, other members participate in their individual capacity. According to the SGP operational guidelines, the majority of members should be nongovernmental, respecting the CSO-led nature of the programme.

Figure 2 represents the overall organization of the SGP programme and the various pathways of collaboration between the different stakeholders at local, national, and global levels.

² The Central Programme Management Team (CPMT) consists of eight staff including a global manager, a deputy global manager, regional focal point/programme advisers on the GEF focal areas, a programme specialist for knowledge management, a monitoring and evaluation specialist and two programme associates. Together, they provide global supervision and day-to-day programmatic and operational guidance to more than 126 countries that are part of the SGP global programme. In the 16 upgraded countries, CPMT is responsible for coordinating knowledge management activities as well as for matters pertaining to the SGP global operational guidelines. It should be noted that upgraded country programmes are managed by an upgraded country programme global coordinator, who provides oversight by supporting and monitoring implementation and promoting the sharing of lessons learned and best practices among upgraded country programmes and between upgraded country programmes and the global programme, as per "GEF Small Grants Programme: Implementation Arrangements for GEF7 (GEF/C.54/05/Rev.0)."

³ For updated country programmes, the full-size GEF project document is considered the country programme strategy.

FIGURE 1. The SGP results model of change (M&E Strategy)



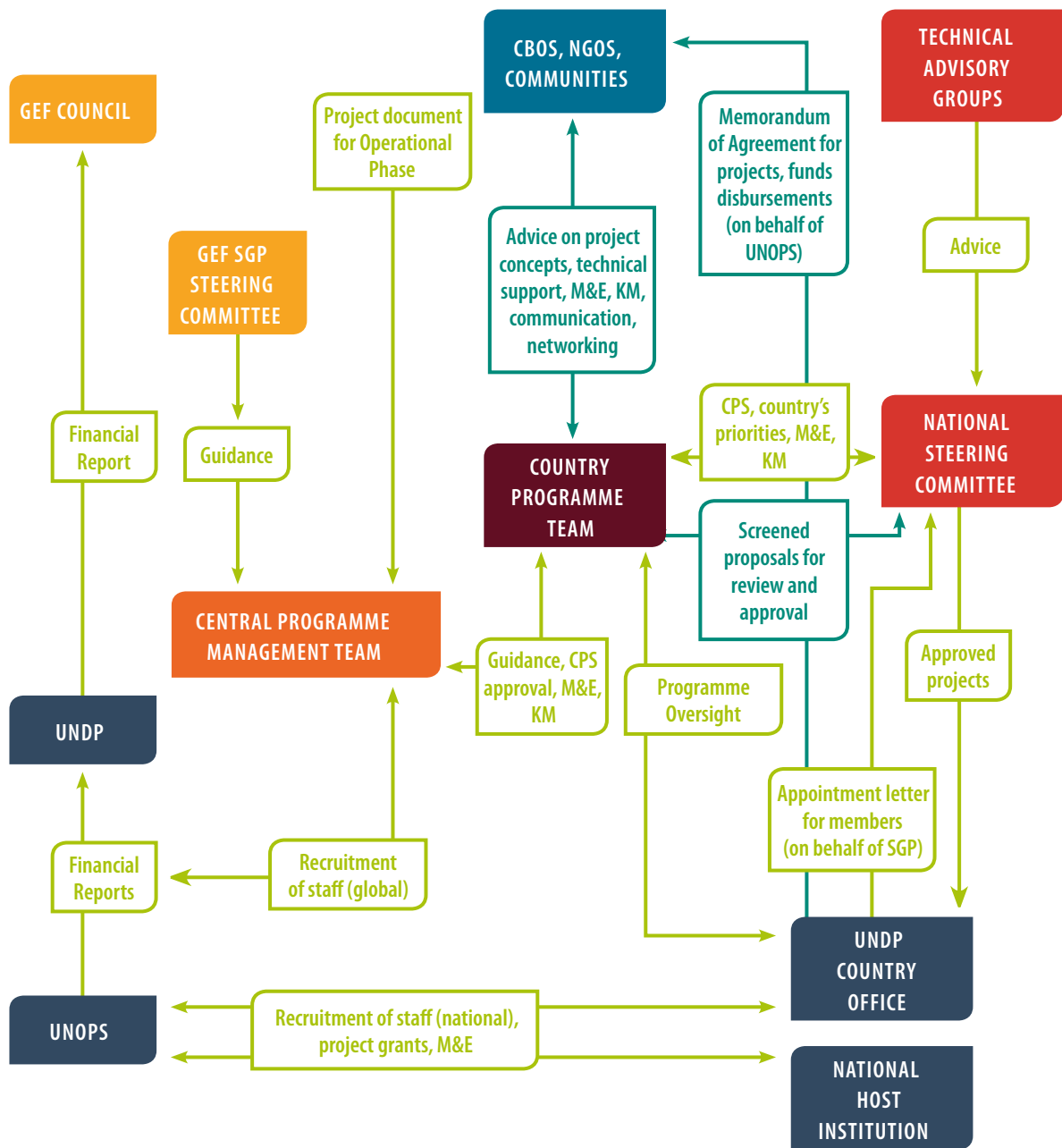
FOOTNOTE ON SGP MODEL OF CHANGE

- It is SGP's experience that above suite of offerings enable long term sustainability of environmental results;
- Most projects have integrated components of capacity development and innovation. These two serve as both drivers of change and results in themselves—as by using an approach consistently over an extended period of time, the approach becomes a result in itself;
- It may be argued that some of the other drivers of change are results in themselves (such as community behavior shifts etc. can be output-level results). These are classified under drivers to provide a strategic level and expansive overview of SGP model of change; and
- Capacity development has inherent sectorwide limitations in its measurement. SGP's methodological work will continue in this regard.

Source: Adapted from the SGP monitoring and evaluation strategy, 2019, UNDP.

FIGURE 2. SGP organizational chart

■ Key Role and Main Responsibilities ■ Project-related procedures



Source: The A to Z of the SGP: A Guide to the GEF Small Grants Programme. UNDP, 2017.

Note: CBO = community-based organization; CPS = country programme strategy; KM = knowledge management; M&E = monitoring and evaluation; NGO = nongovernmental organization; UNDP = United Nations Development Programme; UNOPS = United Nations Office for Project Services.

Since start-up, the SGP has supported 25,117 small grants. The number of participating countries has grown from 11 to 126 (UNDP 2020a). Of these countries, 40 are least developed countries (LDCs) and 37 are small island developing states (SIDS); several countries are in fragile situations.

Currently, 110 countries are in the SGP global programme and 16 are upgraded countries. The SGP global programme is funded by core funding agreed by the GEF replenishment for each replenishment period. In addition to these core resources, countries under the global programme can also use part of their STAR allocations under the GEF (up to 10 percent and no more than \$2 million) to complement their allocated amount from the global programme. During GEF-5, countries with the longest-standing and most mature SGP country programmes were transitioned to a new funding

mechanism “to enable the SGP to continue to expand and serve low-income nations without concomitant growth in core funding.”⁴ Country programmes in upgraded countries are funded through full- or medium-size projects from STAR funds of their respective country. Since July 2014, the SGP has provided about 6,005 small grants with a total of \$190.92 million in grants (table 1). Most of the projects are multifocal in nature, however, for reporting purpose, grantees are asked to select the most dominant focal area. Biodiversity projects have constituted the largest share of the SGP portfolio, followed by climate change projects (including adaptation, which is supported through cofinancing) and land degradation projects. These three SGP project areas constitute the large majority of the SGP portfolio, corresponding to 81 percent of the total number of projects and 82 percent of the total grant budget.

TABLE 1. SGP distribution by GEF focal area

Focal area	Projects		Total grant amount (million \$)	Cofinancing in cash (million \$)	Cofinancing in kind (million \$)
	Number	Percent			
Biodiversity	2,213	36.9	72.61	21.18	37.44
Capacity development	575	9.6	17.51	14.29	7.63
Chemicals and waste	277	4.6	8.55	4.04	3.55
Climate change	1,338	22.3	43.88	21.20	28.07
Climate change adaptation	268	4.5	8.60	2.43	4.68
International waters	162	2.7	5.40	3.65	3.77
Land degradation	1,048	17.5	31.21	11.89	22.77
Multifocal area	22	0.4	0.82	0.22	2.58
Unclassified	102	1.7	2.33	0.06	0.12
Total	6,005	100	190.92	78.95	110.61

Source: SGP database.

Note: This table includes SGP projects approved during the period from July 2014 to February 2020 in both global and upgraded countries.

⁴ Small Grants Programme: Implementation Arrangements for GEF-7, GEF/C.54/05/Rev.01, para 40. 2018. It should be noted that the reference to country level of development was not included in the original upgrading policy, where the purpose of upgrading was noted as “to allow for the preferential allocation of limited GEF core resources to the new SGP country programmes” (refer to Small Grants Programme: Execution Arrangements and Upgrading Policy for GEF-5, GEF/C.36.4, para 59, 2009).

Overall, the SGP portfolio represents 6 percent of the overall GEF portfolio. Since GEF-3, the proportion of SGP against the overall GEF portfolio

is stable around 6–7 percent (table 2). The percent of SGP in the UNDP-GEF portfolio fluctuates between 12 percent and 19 percent over the years.

TABLE 2. Share of SGP in the GEF portfolio by GEF phase

GEF phase	GEF funding approved for SGP (both global and UCPS) (million \$)	UNDP portfolio of GEF projects (GEF Trust Fund only) (million \$)	Percent of SGP in the UNDP-GEF portfolio	Overall GEF portfolio (GEF Trust Fund only) (million \$)	Percent of SGP in the overall GEF portfolio
Pilot phase	13.00	255.86	5	695.79	2
GEF-1	25.94	373.42	7	1,061.47	2
GEF-2	76.93	644.59	12	1,847.06	4
GEF-3	171.49	1,109.18	15	2,967.43	6
GEF-4	175.23	1,115.63	16	2,827.82	6
GEF-5	308.38	1,602.51	19	4,150.88	7
GEF-6	217.98	1,379.69	16	3,696.82	6
GEF-7	213.76	841.69	25	2,676.17	8
Total	1,202.71	7,322.57	16	19,923.44	6

Source: GEF Portal.

Note: The cut-off date for GEF-7 is December 31, 2020. The UNDP portfolio of GEF projects refers to GEF projects with UNDP as the lead agency. Financial figures include GEF grants, agency fee, and project preparation grants. GEF funding approved for SGP includes core funding, STAR resources, and Resource Allocation Framework (superseded by System for Transparent Allotment of Resources).

The strategic focus of the SGP has evolved considerably since GEF-5. In the SGP strategic directions for GEF-6 (2014–18) (GEF 2014) a three-pronged approach was used that focused its work on globally recognized ecosystems, establishment of institutional and financial support mechanisms, and systematic development of capacity of local and national civil society stakeholders. SGP introduced four multifocal platforms (also designated as strategic programmes) for the implementation of its microprojects at the country level: community landscape and seascape conservation, climate-smart innovative agroecology, low-carbon energy access cobenefits, and local to global chemicals management coalitions. Under the strategic directions, SGP

country programmes would acknowledge gender differences and support actions to promote women’s role in implementation of programmes and projects.

Under GEF-7 (2018–22), the SGP aims to place greater emphasis on promoting strategic and results-based investments at the local level, in alignment with GEF-7 focal area strategies and impact programmes (GEF 2018b). The SGP intends to focus more on supporting innovation and scalable initiatives at the local level to tackle global environmental issues in priority landscapes and seascapes. To improve effectiveness, the SGP is adopting and strengthening key approaches, including the following: empowering local communities,

targeting support to LDCs and SIDS, supporting community innovation on emerging issues, promoting partnerships and broader adoption, scaling up and replication of results, and serving as a dependable global community-based grant mechanism and platform for the environment. Five strategic initiatives are designed to promote alignment with GEF integrated approaches to key global environmental issues and complementarity to focal areas and impact programmes at the community level. These include sustainable agriculture and fisheries, low-carbon energy access benefits, community-based threatened ecosystems, and species conservation: land and water, local to global coalitions in chemicals and waste management, and catalyzing sustainable urban development. In line with the GEF gender policy and UNDP gender strategy, country programmes are intended to actively support actions to promote the role of women in project implementation, particularly relating to gender equality and women's empowerment, relevant to the local context.

1.3 Objective and scope

The overall purpose of this joint evaluation is to examine the performance of the SGP, to determine whether any changes are required to improve effectiveness of the SGP, and to provide the GEF Council and the UNDP Executive Board with evaluative evidence of the SGP's relevance, effectiveness, efficiency, and sustainability.

The main objective of this joint evaluation is to evaluate the extent to which the SGP is achieving the objectives set out in its strategic and operational directions under GEF-6 (2014–18) and GEF-7 (2018–22), building on the findings of the 2015 evaluation. The evaluation will also assess the relevance and strategic positioning of the SGP within the GEF and provide recommendations on the way forward for the SGP. This evaluation covers the time frame from the establishment of the SGP in 1992, up to February 2020; its focus is on developments since July 2014, which was the cutoff date for the 2015 joint evaluation of the SGP.

2 METHODOLOGY

The 2015 joint evaluation provided an assessment of the relevance and strategic positioning, effectiveness, and efficiency, of the SGP with a strong emphasis on country results. This evaluation also assesses relevance, effectiveness, and efficiency while emphasizing the SGP's strategic vision and upgrading policy, innovation, gender considerations, governance structure, and sustainability of outcomes in UCPS.

This evaluation builds on the assessment of results and impacts of the 2015 joint evaluation and uses the previous evaluation findings as baselines against which to assess progress, without conducting an in-depth aggregation of country-level results from the small grants. As noted in the approach paper prepared for this evaluation (annex A), the focus of this evaluation is on strategic issues that have arisen since the last evaluation, and the rigorous examination of evidence from the thousands of small grants would have required logistical arrangements that were not feasible in pandemic conditions. This report is forward-looking and provides benchmarks against which to assess progress in the next evaluations.

The evaluation adhered to a participatory, mixed-method approach using a variety of information sources. A widely circulated approach paper, finalized in March 2020, served as the evaluation's primary guidance document. The following methods were used to collect and triangulate information:

- Document review. This included an analysis of (1) GEF Council and GEF Secretariat policy and operational guidance documents, (2) SGP steering committee minutes, (3) SGP publications, communications, and technical guidance products, (4) SGP country programme strategies and project documents, and (5) UNDP and CPMT planning documents, annual reports, and programme implementation reports.
- Portfolio review and meta-assessment. These included (1) a sampling of 22 country programme strategies⁵ from the global country programme (annex C), (2) all project documents, and 17 midterm and terminal evaluations of all 16 UCPS.
- A global survey was sent to 1,176 recipients in 125 countries⁶ that had an active Small Grants Programme (annex D). The recipients included GEF focal points, NSC members (academe, CSOs, the private sector, UNDP senior management), and national coordinators. The response rate was 79 percent (926 respondents). A descriptive and statistical hypothesis testing was conducted to analyze the results (annex E).
- Interviews. The evaluation conducted a total of 203 interviews at the global and country levels (annex I).
- Country case studies were conducted in eight countries, including five global country programmes: Argentina (category 3⁷), Botswana

⁵ The sampling considered: Evaluation Criteria: (1) Number of participation in Operational Phases for GCP; (2) Number of thematic focal areas with grant; (3) Cumulative grant amount OP5 and OP6 for GCP; (4) Relative percent of community-based organizations implementing grants against total grant; (5) Number of grants; (6) Relative percent of satisfactorily completed against total grants; (7) Ratio of cofinancing (cash and in kind) versus total GEF financing; (8) Number of strategic projects.

⁶ The survey was launched in 125 countries with an active SGP; Eswatini is a new country in SGP which was still in its initial phase of starting the programme.

⁷ Category III (Country programmes that are more than 15 years old and received cumulative grants of \$15 million).

(category 2⁸), Burkina Faso (category 1⁹), Samoa multicountry (Cook Islands, Niue, Samoa, Tokelau), and Afghanistan (recently joined the SGP); and three UCPs: Brazil, Egypt, and Mexico. The case studies were conducted by national evaluation experts. A mix of 95 completed and ongoing projects were assessed in the eight countries.

- **Triangulation.** The evaluation team conducted triangulation on data collected and across the methods used to determine trends and formulate main findings and conclusions. Different stakeholders were consulted during the process to test preliminary findings.
- **Quality assurance.** At the onset of the evaluation, an evaluation steering committee was formed to provide strategic advice to the team and ensure cohesion in the joint evaluation process. The committee was composed of the two directors and two senior evaluators of the Independent Evaluation Offices of the GEF and UNDP. Also, the evaluation engaged two external reviewers who provided additional quality assurance to the evaluation report, and who brought both subject matter expertise and long-standing evaluation experience.

2.1 Evaluation questions

Based on the evaluation objective and scope, the evaluation was guided by the following questions:

Relevance

- To what extent is the SGP guided by a vision, policy, and strategy that ensure coherent and effective implementation of a programme which remains relevant to national priorities and to GEF and UNDP priorities?

- To what extent is the upgrading process providing a strategic long-term mechanism to ensure the effective delivery of environmental benefits at community level, both in UCPs and in the global programme countries?

Effectiveness

- To what extent is the SGP contributing to the delivery of global and local environmental and socioeconomic benefits? What are the key factors affecting achievement of results?
- To what extent is the SGP promoting innovation?
- How effective are the SGP gender mainstreaming and inclusion of indigenous peoples approaches to delivering the SGP objectives?

Efficiency

- To what extent is the current governance structure ensuring the oversight¹⁰ and delivery of the SGP's mandate? What are the key areas for improvement, if any?
- To what extent is the operational and organizational structure providing an efficient and effective support mechanism to ensure the delivery of the SGP's objective? What are the key areas for improvement, if any?

Sustainability

- Are adequate processes in place to ensure long-term sustainability of SGP results, with a focus on UCPs?
- To what extent are innovative practices being replicated and upscaled, and what are the factors favoring or hindering this?

⁸ Category IIa (Country programmes that are 5–9 years old), Category IIb (Country programmes that are 9–12 years old); Category IIc (Country programmes that are 12–15 years old and received cumulative grants of less than \$6 million).

⁹ Category I (LDCs and SIDS), Category Ib (Non-LDC and Non-SIDS country programmes less than five years old).

¹⁰ In this evaluation, the term oversight is understood in its broad programmatic sense. The evaluation did not consider elements related to administrative, fiduciary, or contractual oversight.

2.2 Limitations

The COVID-19 pandemic was the most significant challenge faced by the evaluation because travel restrictions prohibited visiting projects in the field. The pandemic delayed the data collection and restricted the availability of people for interviews. The evaluation did not conduct community-level field visits to avoid the possible spread of COVID-19 to SGP grantees.

The evaluation tried to mitigate these challenges as much as possible. The global survey was strengthened by translating the questionnaire into four languages¹¹ and following up with the survey recipients to increase the response rate. The number of case study countries was increased from five, as envisioned in the approach paper, to eight. The evaluation developed a detailed country case study methodology (annex F) to facilitate the process. National evaluation experts were engaged

in conducting these studies to ensure that the country context was taken into extensive consideration. Also, several meetings between the global evaluation team and the national evaluators were held to triangulate findings and aggregate evidence.

This report is structured as follows: general analysis and findings are divided along the four broad sections of relevance, effectiveness, efficiency, and sustainability. Because the findings differ according to the status of the UCP and the global programme, some sections contain distinctions as necessary. In some sections, findings focus more heavily on UCPs, drawing on an increasing body of evidence that was not available in previous joint evaluations. Because this evaluation focuses on strategic issues that have emerged since the last evaluation in 2015, the analysis highlights certain topics of interest in subsections (e.g., vision, or the grant versus non-grant debate). Conclusions and recommendations are presented at the end.

¹¹ The English survey was translated into French, Portuguese, Russian, and Spanish.

3 FINDINGS

3.1 Relevance

This section discusses the question of the relevance of the SGP at different levels. First, whether the SGP in its current form and operational make-up continues to be relevant to the overall mandate of the GEF, which is to generate global environmental benefits, and of UNDP, which is “to help countries to achieve sustainable development by eradicating poverty in all its forms and dimensions, accelerating structural transformations for sustainable development and building resilience to crises and shocks” (external relevance) (UNDP 2017b). Second, we also discuss internal relevance—the extent to which the activities deployed by the SGP in its two modalities global country programme and UCPs) are relevant to the overall mandate of the SGP.

The section seeks to answer the following evaluation questions:

- To what extent is the SGP guided by a vision, policy, and strategy that ensure coherent and effective implementation of a programme which remains relevant to national priorities and to GEF and UNDP priorities?
- To what extent is the upgrading process providing a strategic long-term mechanism to ensure the effective delivery of environmental benefits at community level, both in UCPs and in the global programme countries?

Relevance of the SGP

The SGP is very relevant and coherent with the GEF’s mandate and with the needs for action at all levels to accelerate sustainable development. This relevance extends to SGP as an operational modality within the GEF

family and as a financing mechanism for CSOs. As a programme that provides funds to organizations who are traditionally excluded from development assistance and participation in global environmental efforts, the SGP continues to address environmental and social issues that are at the forefront of development efforts. This finding is corroborated by interviews and surveys (table 3 and figure 3). As seen in the case studies, country programme strategies, and in the meta-analysis of evaluations for UCPs, the SGP has on numerous occasions, provided “first access” to finance to organizations that have then gone on to bigger projects and programmes. For example, as stated in the Algeria CPS (sixth operational phase): “The previous phase of the GEF SGP helped mobilize local organizations that had few funding opportunities, thus giving credibility to their actions. This is a great step forward in a context where local associations are struggling to find their place. The participating CSOs had the opportunity to strengthen their capacities through the training and through the implementation of activities (learning by doing)” (PMF FEM/UNOPS Algérie 2016, 4).

The SGP is also aligned with GEF focal area strategic priorities. For example, in the biodiversity focal area, the SGP focused on engaging communities to mainstream biodiversity conservation and sustainable use across sectors as well as landscapes and seascapes. In the climate change focal area, the SGP contributed to promoting energy efficiency and renewable energy, as well as promoting conservation and enhancement of carbon stocks through sustainable management of land use, land use change, and forestry in GEF-5 and GEF-6. In GEF-7, the SGP is working on promoting innovation and technology transfer for sustainable energy

breakthroughs. In the land degradation focal area, the SGP supported agro-ecosystem services to sustain the livelihoods of local communities during GEF-5 and GEF-6. In GEF-7, the SGP is contributing to meeting the land degradation neutrality target through supporting national sustainable land management interventions.

There continues to be a high degree of convergence between the SGP and UNDP's overarching mandate to promote sustainable development; however, on-the-ground UNDP-SGP Synergies are not yet optimized. This degree of convergence is also further documented in each SGP project document, where UNDP highlights how the SGP globally and nationally fits into its programming priorities. For 2018–21, UNDP aims to contribute to: “(a) Eradicating poverty in all its forms and dimensions and keeping people out of poverty; (b) Accelerating structural transformations for sustainable development, especially through innovative solutions that have multiplier effects across the Sustainable Development Goals; and (c) Building resilience to crises and shocks, in order to safeguard development gains” (UNDP 2017b, 2). The portfolio analysis and the global survey showed that there are linkages between SGP and UNDP strategic objectives and with the Sustainable Development Goals. For example, in all CPSs reviewed, the lines of contributions from SGP to the Sustainable Development Goals and the UNDP Country Programme Framework were constant fixtures.

Linkages are also made in programming documents to the priorities of UNDP at the global and country levels. The question remains as to whether these linkages are made because they are required by the GEF as conditions for financing, or whether they arise as actionable conditions for project success. Further analysis undertaken in the eight country studies shows that in many cases, though the links are present at the project creation stage and in documentation, at the local level the linkages between UNDP and the SGP remain occasionally weak. (section 3.3 on synergy between SGP and UNDP).

At the global level the SGP also shows a high degree of relevance. The portfolio analysis of the global country programme and UCPs, including CPSs, project documents, and evaluations, showed that the SGP remains relevant to national economic and environmental priorities. In addition, the SGP established relevance to policies related to the country's responsibilities as a party to the environmental conventions for which the GEF is the financial mechanism. The documents mentioned were nuanced so as to link the SGP to specific environmental issues; for example, the SGP contributed to key aspects of national biodiversity strategy and action plans and national action plans to combat desertification (Algeria, Cape Verde, Democratic Republic of Congo, and Guatemala). Also, the SGP supported national reports to the Convention on Biological Diversity and national communications to the United Nations Framework Convention on Climate Change.

Coherence between each SGP operational phase and evolving global environmental priorities is demonstrated explicitly—as required—in the global programme project documents, GEF programming directions, and other key policy documents. This is also the case at the country level, where this coherence is retraced in individual CPSs, and, in the case of upgraded countries, in full- and medium-size project documents. For example, links between the SGP and the different objectives of each Convention are clearly demonstrated in each of the project identification forms and full-size project documents, as are contributions to the Sustainable Development Goals. These contributions are tracked and monitored as part of the SGP's M&E system (CPMT 2019) and in some cases through UNDP's Results-Oriented Annual Reporting and Country Programme Evaluations.

As stated in the Sixth Comprehensive Evaluation of the GEF (OPS6), “The SGP delivers grants that address local environmental concerns of global relevance at the national or subnational level, and links communities to long-term environmental management through income-generating activities.

One of the main characteristics differentiating the SGP from other GEF programmes is its ability to function as a demand-based type of community support, thereby engendering community/country ownership” (GEF IEO 2018, 94). Across all case studies, the SGP has been shown to reach isolated communities to provide “kickstart” grants and target a larger cross-section of CSOs. This was the case in Botswana, where the SGP was able to bypass the usual requirement for CSO registration to provide funding, through the planning grant modality,¹² to a group of organizations that would have otherwise

been excluded. As a result, these grantees were able to register after a grant cycle and receive grants from other sources.

This is also the case in countries where not many development partners have had access to communities, such as in post-conflict situations or fragile states, or in cases where the SGP has managed to create relationships of trust with remote isolated communities (e.g., Argentina and Afghanistan) where the SGP allows for continuous grassroots engagement at a low level of risk for donors (box 1).

BOX 1. SGP in fragile situations and working with diverse actors in Afghanistan

For the past 41 years, Afghanistan, with its rich history, beautiful landscapes, and ethnically diverse population, has endured nearly constant armed conflict, whether in the form of revolution, occupation, extremism, or insurgency. Not only has the conflict taken a tremendous toll in human terms; it has also exerted a powerful brake on the country’s development. Decades before 1978, Afghanistan’s per capita gross domestic product was higher than those of India, Nepal, Pakistan, and China. Today, Afghanistan is lagging far behind its Asian neighbors and is ranked 169 out of 189 countries in the Human Development Index.

As a result of political chaos and war, Afghanistan is in a state of severe environmental crisis. Many Afghans are highly prone to climate change impacts because of their exposure to droughts, floods, and other natural disasters. Reliance on climate-sensitive livelihoods such as rain-fed agriculture and pastoralism exacerbates their vulnerability. The decades of conflict in Afghanistan not only eroded physical infrastructures, but also social networks within and outside communities, including those involved in environmental activism. Though some improvements have been made after the retreat of the Taliban, such as creating the National Environmental Agency in 2005 and the passing of Afghanistan’s first Environmental Law in 2007, much more needs to be done.

Afghanistan only joined the SGP in 2013. Since then, the SGP has funded 71 projects working with a diverse set of civil society actors, including 47 nongovernmental organizations (NGOs), 7 associations, 3 media organizations, 12 councils, women’s agriculture cooperatives, and private business institutions.

The SGP has worked with NGOs to strengthen the NGO sector by building capacities in designing and implementing environmental interventions even outside the SGP. Grants were also awarded to Associations, which are groups of community members, including women and youths and vulnerable groups, focused on a particular issue, such as the Association working in Bandi Amir National Park. Associations tend to have intimate knowledge of their locality and have close ties with local communities and institutions. Another group that also received SGP grants is the media, which creates awareness activities through radio, TV, and print about climate change, biodiversity, and deforestation. They are able to reach rural and urban communities. Community Development Councils in rural and remote areas were also awarded grants. These institutions are at the village level. They were established by community villagers and are registered with the Ministry of Rural Rehabilitation and Development. Agriculture Cooperatives comprised of farmers and youth groups have also received grants. Though private businesses are not grant recipients, the SGP also collaborated with a private business.

To a country reeling from decades of violence that sowed mistrust among its population, the SGP provides an avenue of reconciliation as much as it is a development and environmental initiative. By working with diverse types of groups in Afghanistan, SGP contributes not only to environmental conservation but also to building bridges within civil society groups and across other national actors such as the government and the private sector.

Source: Afghanistan country case study.

¹² The planning grant modality provides support to CSOs in the stage prior to execution of actual small grants. “SGP Planning Grants—not exceeding \$2,000 per project—are designed to enable project proponents to formulate and develop better quality SGP project proposals.”

The interventions that are implemented at the local level through SGP support are highly relevant to the SGP's mandate and intended purpose. In terms of the relationship of individual grants and subprojects to the overall SGP, evidence from the survey, country case studies, and the analysis of the sample projects also points to a high level of internal relevance. For example, during this

evaluation, a total of 95 projects were assessed in the eight country case studies. The data, which were compiled from internal evaluations, showed that 99 percent of the projects that were assessed were within satisfactory range, a small increase from the 2015 evaluation, in which 94 percent of projects ($n = 104$) assessed were within satisfactory range (table 3).

TABLE 3. Overall relevance ratings of sampled projects in eight countries

Rating	Percent of projects
Satisfactory range (HS, MS, S)	99
Highly satisfactory	47
Satisfactory	40
Moderately satisfactory	12
Unsatisfactory range (HU, MU, U)	0
Unable to assess	1
Total %	100

Source: Evaluation country case studies.

Note: $n = 95$ projects.

This is an impressive level of relevance, which reflects the demand-driven nature of the SGP, a factor that also contributes to its uniqueness in the context of overall GEF programming. In addition, as pointed out in the Burkina Faso Case Study,¹³ the existence of a mechanism to “filter” and select the most relevant project proposals at the country level helps to ensure that all grants demonstrate a high level of coherence with the hierarchy of the SGP's intended results and policies. Box 2 gives an

example of an SGP project relevant to the national and, ultimately, the global context in Argentina.

Finally, going back to the results of the survey as expressed in figure 3, there were no major differences between what respondents perceived as the current SGP objectives and what they thought they should be in the future. This indicates that the SGP in its current form is relevant to the local stakeholders it intends to serve.

¹³ The Burkina Faso country case study states that from 2014–19, the SGP national steering committee received 608 proposals, of which only 85 were funded.

BOX 2. Yaguareté conservation in Argentina (SGP's relevance to National Priorities, acting locally impact globally)

At the beginning of the 20th century, the distribution of Yaguareté (jaguar) reached as far as Argentine Patagonia. The loss of its habitat and hunting, among other threats, caused its distribution to be reduced by 95 percent, leaving fewer than 250 individuals currently in the wild, confined to fragments of the ecoregions of the Paranaense Forest, Chaco, and the Yungas Forest.

The Ministry of Environment and Sustainable Development created the National Plan for the Conservation of the Yaguareté, an initiative to raise awareness and a call for action for its conservation. Various strategies were included in the plan, such as anti-predation measures, interventions to reduce the hunting of the Yaguareté, innovative projects, and the use of new technologies. In parallel, economic initiatives were established, such as alternatives for local communities that contribute to the long-term survival of the Yaguareté, including compensation fund schemes, insurance, ecotourism, and others.

The SGP responded to this call through its Innovation Programme on Big Cats Conservation by providing grants within the scope of the plan. The SGP supported the implementation of livestock management initiatives, which prevents the Yaguareté from entering livestock farms' production areas. The successful implementation of this system allows the Yaguareté's coexistence with livestock, especially cattle. This is a crucial step that is needed for the Yaguareté to move around its habitat, which supports the population gene flow, vital for its population's survival. One of the SGP-funded projects, executed by the Red Yaguareté (Jaguar Network) works in this area together with the Ministry of Ecology of Misiones province to monitor the Yaguareté population in Salto Encantado Provincial Park surroundings and has reported zero predation for 2019.

On January 27, 2020, in recognition of the relevance of the SGP project to the national priority, the Minister of Environment and Sustainable Development, Juan Cabandie, with the Resident Representative of UNDP, René Mauricio Valdés and the Governor of the Province of Misiones, awarded the SGP certificates of recognition to the five civil society organizations that executed the Yaguareté conservation projects in the Salto Encantado Park, Misiones. Not only is the project in line with the national priorities, but by working on the local population of Yaguareté, it has affected the whole population in the Americas.

Source: Argentina country case study.

The SGP vision

The long-term vision for the SGP is neither explicit nor shared, leading to multiple and sometimes competing perceptions of what the SGP can accomplish and how it should be operated. The first recommendation of the 2015 evaluation stated that the SGP steering committee should be revitalized "to support high-level strategic thinking in developing a long-term vision for the SGP..." (GEF IEO and UNDP IEO 2015, 49). This exercise has not been completed, though a number of steps were reported by both UNDP and the GEF in the years following the 2015 evaluation. These include the development of new terms of reference for the steering committee and a global visioning workshop in 2017, and various SGP retreats and regional workshops that were held during 2017 to 2020.¹⁴ The question of the clarity of the SGP vision

was asked of many interviewees and participants, and answers varied. From the variety of answers collected, we deduce that the SGP's "vision" seems clear and evident to many, but that it is not actually a shared, explicit vision statement. Therefore, the vision that emerges from grantees and local SGP stakeholders is not the same vision as the one that emerges from conversations with GEF and UNDP management (and even these two differ to some extent).

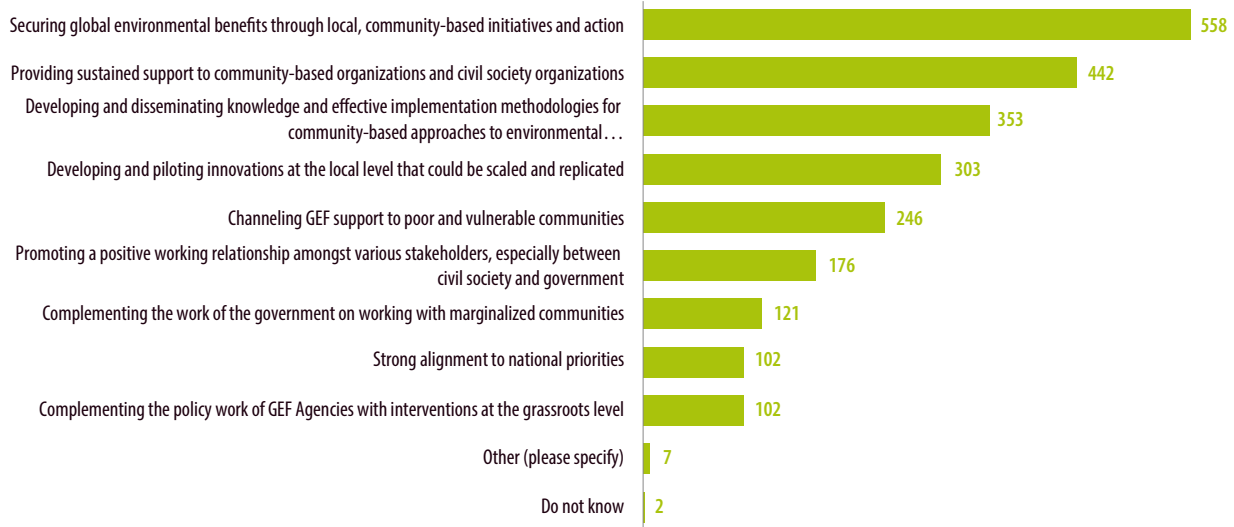
Interviews with NSC members, including some GEF focal points, do not distinguish the vision of SGP from that of the GEF in general. Figure 3 from the global survey demonstrates how many SGP local stakeholders described what they thought were the SGP's vision and purpose, with the most frequent response being "securing global environmental benefits through local, community-based initiatives and action."

¹⁴ UNDP Management Response, Evaluation Resource Center, and SGP in the GEF Management Action Records.

The evaluation team was unable to find a documented instance of a SGP vision statement in any of the foundational documentation. The earliest “vision-like” statement reviewed by the evaluation was included in the project document of Small Grants Programme (Second Phase) (GEF ID 501) in

1998. It stated the SGP’s objective as: “Conservation and sustainable development strategies and projects to protect the global environment are understood and practiced by communities and other key stakeholders” (UNDP 1998, 4).

FIGURE 3. Best description of the perceived vision of SGP by participating countries



Source: Evaluation global survey.

Note: $n = 925$ respondents, each survey respondent was allowed to select up to three responses. The x-axis shows the number of respondents.

During the evaluation, SGP senior management provided a vision for the SGP team: “The SGP finances community-based organizations to design and implement sustainable development projects that generate global environmental benefits coupled with socioeconomic co-benefits to local communities.”¹⁵ Additionally, *The A to Z of SGP*, published in 2017, states that the SGP aligns to the GEF 2020 vision “by building on its effective approach to supporting local action, protecting the global environment while enhancing livelihoods and empowering communities” (UNDP 2017a, 9).

In addition to these, goals and objectives are formulated for the SGP every operational phase, through project documents submitted to the

GEF. For instance, the SGP goal for GEF-6 was to “Effectively support the creation of global environmental benefits and the safeguarding of the global environment through community and local solutions that complement and add value to national and global level action” (GEF 2014, 4). Further along, in the GEF-7 programming directions, “The SGP aimed at financing community-led initiatives to address global environmental issues. It is currently being implemented by UNDP on behalf of the GEF partnership. It is specifically designed to mobilize bottom-up actions by empowering local civil society organizations, and poor and vulnerable communities, including women and indigenous peoples” (GEF 2018c, 140).

¹⁵ CPMT management written responses on key interview questions on the 3rd SGP Joint Evaluation (Dec 2020).

The variety of statements about the SGP’s vision, mission, and mandate shows that the SGP takes on different meanings and values to different people at different times. In figure 3, the primary vision seems to be to secure global environmental benefits, while working with local organizations appears as a means to an end. In the second statement, the purpose appears to be to empower CBOs to develop and implement sustainable development projects (empowerment being the primary target); in the third, the purpose appears to be to support local action. Each iteration—including those detailed in successive SGP-related documents, GEF Council documents, and publications—expresses, adds, or removes different elements and appears to indicate a subsidiarity of purpose or a hierarchy of goals, means, and ends. At the same time, the different statements all refer to similar elements and principles that seem permanent (e.g., local action, CBO, environmental and developmental objectives). These differences and similarities have an impact on the operational deployment of the SGP from the global to the local level.

Although the lack of an encompassing vision statement for the SGP may have little bearing on operational efficiency at country level, it affects decision making at high levels within the SGP, because each way of envisioning the SGP also comes with an underlying assumption about what the SGP should support and about the most appropriate pathways to achieving its intended objectives. A case in point has been the ongoing discussion in the GEF and UNDP about the cost incurred by the SGP for programmatic-level activities and management costs, and the categorization by the GEF Secretariat of SGP expenditures as “grant” or “non-grant” elements (section 3.3), which—far from being limited to a question of accounting—in effect illustrates a lack of consensus on the SGP’s overall long-term vision.

Relevance of the upgrading process

The UCP has three main features. First, UCP funding levels are decided by the government, which allocates funds to the UCP from the country’s STAR allocation. This is in contrast to the countries under the global programme, who receive annual country allocations from the SGP core fund based on the agreed rules set forth by the GEF Council through the SGP Implementation Arrangement document for the given operational phase. Second, a UCP operates as a GEF full-size project, which is different from its previous status as a non-upgraded country programme under a rolling modality, where it had more strictly controlled operations, budget reporting, and different GEF-related M&E requirements than the global programme. Third, UCP-supported grant projects put more emphasis on upscaling and replication of interventions, which is a shift from supporting pilot and demonstration projects.¹⁶

Meeting the objectives of upgrading

The objectives of the upgrading policy have not been fully met, and the upgrading process has come with higher transaction costs and operational risks for participating countries. The GEF-5 upgrading policy came on the heels of a discussion on country “graduation” and did not set clear objectives for upgrading other than to allow newer countries to join the SGP. In OP7, the objectives were spelled out as follows¹⁷:

- to enable the SGP to continue to expand and serve low-income nations without concomitant growth in core funding;
- to make better use of the capacities of mature country programmes to enrich the younger, less experienced ones; and

¹⁶ For detailed background information, please refer to chapter 4 of the 2015 joint SGP evaluation.

¹⁷ In the original OP5 document, no objectives were explicitly listed, but the rationale and process were set forth. The objectives were listed in the document “GEF Small Grants Programme: Implementation Arrangements for GEF-7” with the addition of the mention of low-income countries.

- to enable mature country programmes to access greater financial resources and exercise more programmatic freedom in light of their greater internal capacity.

During OP4, which we used as a baseline, 122 countries were implementing SGP, and 21 of these were new countries. By the time of OP5, when the Upgrading Policy was approved and launched, 9 countries had upgraded, and 16 countries joined the SGP.¹⁸ In OP6, six countries upgraded; however, only one new country joined the global country programme. In OP7, which started in 2020, and at the time of writing, one new country had joined the global country programme.

In an OP7 GEF Council document (GEF 2018a), 22 countries, including 6 LDCs and one LDC/SIDS,

were listed as eligible to join the programme. In fact, based on SGP eligibility criteria,¹⁹ 20 out of the 22 countries have been eligible to join the SGP since OP4. Also, 11 of the 22 countries have provided an official letter of interest in joining. In 2019–20, SGP startup activities were launched in Angola, Bangladesh, Eswatini, and Gabon (UNDP 2020a).

These figures, summarized in table 4, show that even though the programme has opened up “fiscal space” through the upgrading process, the addition of new countries has not been maximized. In OP5, 16 new countries joined the global programme and 9 countries upgraded. In OP6, only one new country joined the global programme while six new countries upgraded, and five new countries closed their SGPs.

TABLE 4. Breakdown of countries in the SGP from OP4–OP7

	OP4	OP5	OP6	OP7
Global CP	122 = 101 + 21 (new)	120 = 104 + 16 (new)	115 = 114 + 1 (new)	110
Global CP (closed)	NA	1	5	NA
Upgraded CP	NA	9 (new)	15 = 9 ^a + 6 (new)	16 = 15 ^b + 1 (new)
Total	122	128	125	126

Source: Central Programme Management Team.

Note: a. Brazil, India, and the Philippines did not have full-size projects in OP6; b. Pakistan and Thailand will have no full-size project in OP7. CP = country programme; OP = operational phase; NA = not available.

The upgrading process succeeded in enabling most UCP countries to access greater financial resources.

Table 5 shows a comparison of two scenarios. First, the current scenario where countries have upgraded (column A). The second scenario is a hypothetical scenario using the “Pure STAR” in OP5

and the cap for STAR allocation in OP6 and OP7 (column B). In OP5, countries with STAR allocations above \$15 million were allowed to allocate STAR resources to their small grant programme. These were called “Pure STAR” countries in OP5. Most of these countries were on the brink of upgrading

¹⁸ Of these, nine countries from two subregional programmes in Barbados and Micronesia became separate country programmes with dedicated country staff and national steering committees (Antigua and Barbuda, Barbados, Grenada, St. Kitts and Nevis, St. Lucia, St. Vincent and the Grenadines, Federated States of Micronesia, Marshall Islands, and Palau).

¹⁹ SGP eligibility criteria: Existence of environmental needs and threats in GEF focal areas; Ratification of at least one of the global environmental conventions: the Convention on Biological Diversity; the UN Framework Convention on Climate Change; the UN Convention to Combat Desertification; and the Stockholm Convention on Persistent Organic Pollutants; Government commitment in the participating country and support for the programme’s implementation modality according to the operational guidelines; Potential for strong government-nongovernmental organization relations and positive support for local civil society organizations; and Commitment to resource mobilization (A to Z of SGP).

and belonged to Country Category 2.²⁰ In OP5, the countries with more than \$15 million were able to allocate \$3.6 million (\$2.4 million if the STAR allocation is below \$15 million). In OP6 and OP7, the STAR allocation that can be allocated to SGP by a global programme country was capped at 10 percent and \$2 million for all countries.

The analysis in table 5 showed that except for Ecuador and Pakistan, almost all countries increased their SGP funding envelope by more than 20 percent as compared to a hypothetical scenario, with Mexico achieving a 49 percent difference. As the data suggest, the potential for upgrading to increase SGP resources in the country is significant.

TABLE 5. Comparison of an upgrading and a hypothetical scenario (million \$)

Country	Total SGP funding envelope in an upgraded scenario for OP5, OP6, and OP7 (A)	Total SGP funding envelope for a hypothetical "Pure STAR" for OP5, and \$2 million cap for OP6 and OP7 (B)	Difference (\$) (A–B)	Percent
Bolivia	10.58	7.60	2.98	-28
Brazil	10.40	7.60	2.80	-27
Costa Rica	9.75	7.60	2.15	-22
Ecuador	8.75	7.60	1.15	-13
India	10.40	7.60	2.80	-27
Kenya	12.40	7.60	4.80	-39
Mexico	15.04	7.60	7.44	-49
Pakistan	6.00	7.60	-1.60	27
Philippines	9.95	7.60	2.35	-24

Source: GEF website, GEF OP5 and OP6 SGP implementation agreements and calculations by the evaluation team.

Increase in funding envelope and strategic linkages with other full-size projects were the most significant advantage in upgrading based on the global survey. Figures 5 and 6 detail the other responses. In Kenya (Fifth Operational Phase of the GEF Small Grants Programme in Kenya, GEF ID 4362) and Ecuador (Fifth Operational Phase of the GEF Small Grants Programme in Ecuador, GEF ID 4375), operating as a four-year project has been reported in the terminal evaluations to have positive implications for the SGP. The longer time frame allowed the SGP to develop strategic programmatic planning, and having more funding "up front" motivated the SGP to adopt a programmatic approach, which led to a fundamental change in approach from previous OPs in the upgraded countries. The landscape and

seascape approach, which was recommended for UCPs in OP5, was considered an improvement in SGP programming from previous scattered and independent small projects to landscape-based synergistic projects. Helping community organizations to implement and coordinate projects in the landscape, this approach generates ecological, economic, and social synergies that will produce greater and potentially sustaining global environmental benefits, as well as increased social capital and local sustainable development benefits.

Once the initial hurdles are cleared, many countries felt there were clear and distinct advantages to the upgraded status. For example, partnerships can flourish effectively, as can be seen in Egypt and India,

²⁰ Refer to footnotes 5, 6, and 7.

where the government-civil society collaboration is strengthened: “there is a sense [of] ownership from the other national stakeholders after [upgrading to] the new structure since the funds are government-allocated.”²¹

An upgraded small grant programme bears some risks that can lead to gaps in SGP implementation at the national level, contrary to SGP’s rolling modality. This was seen in the cases of Brazil, India, and the Philippines, which did not have SGP full-size projects in OP6, and Pakistan and Thailand, which are expected not to have any SGP full-size projects in OP7. There are several reasons why an upgraded country is unable to secure a SGP full-size project. The first and most influential is the government’s priorities, which dictate whether it will allocate STAR resources to the SGP. In Mexico, there has been a strong recognition of SGP by the government, which has led to a well-funded SGP. This has not been the case in some countries: one country (Chile) was subject to the GEF Council criteria on upgrading during GEF5, but the SGP country programme did not receive a STAR endorsement and was subsequently closed.

For a full-size project, the project identification form, the GEF operational focal point’s letter of support, and other related documentation needed for submission to the GEF Council and CEO are subjected to risk of delay. The reasons might include a change in GEF focal point or delays in approval within different governments (as in the Philippines and Egypt). In some cases, even if the project identification forms are submitted, funding shortfalls within the GEF might lead to delaying or deprioritizing funding for the SGP full-size project, as was seen in India’s case where their project

identification form had to be resubmitted in OP7, or Thailand (OP6), Brazil and the Philippines (OP7). Although the GEF-6 funding shortfall was an exceptional occurrence, there is always a risk that such circumstances could occur again.²² Lengthy delays in securing funding for projects have led to de facto deprioritizing, and an interruption in the rolling modality has an impact on what and how small grants are submitted.

Interviewees from the case studies mentioned that gaps in SGP implementation threaten the credibility of the SGP at the national level, discourage potential partners, and, most importantly, break the continuity of programme-level support for its NSC and grantees. In the case of Mexico, even if it was successful in receiving a full-size project in OP5, OP6, and OP7, the delays until disbursement of funds meant that its SGP programme still had a gap between OP5 and OP6.

The upgrading objective “to make better use of the capacities of mature Country Programmes to enrich the younger, less experienced ones” has not been fully realized by the SGP. In and of itself, the objective is vague in terms of its operationalization and measurability: who the different stakeholders are, and the pathways of their interaction are not clear, nor is the term “enrich,” which can be broadly interpreted. The objective implies a transfer of capacity from one group to another, which is difficult to measure based on available evidence. Many efforts have been made to ensure linkages and knowledge exchange among all the countries in the SGP. For example, the evaluation recognizes that the SGP’s landscape and seascape approach originated from the Community Management of Protected Areas Conservation (COMPACT)²³ programme, and was later rolled out

²¹ Egypt country case study.

²² The GEF-6 funding shortfall and prioritization of planned work programmes was the object of a Council discussion and decision in 2016 (GEF/C.51.04). Parameters for prioritization were decided by the GEF Council and included “to maintain the balance among the original allocations in the GEF-6 replenishment decision, assisting Least Developed Countries (LDCs) and Small Island Developing States (SIDS) in accessing resources, and supporting core obligations to the conventions for which the GEF is a or the financial mechanism.” In this case, the SGP upgraded country programmes may have been excluded from the list, even though the global country programme was untouched.

²³ The COMPACT programme was implemented through the Small Grants Global Country Programme with cofinancing from the Un Foundation from 2000 to 2013. It served as a foundation for the Community Development and Knowledge Management for the Satoyama Initiative Programme (COMDEKS) which is being implemented through the Small Grants Programme with financing from the government of Japan.

to the global country programmes, before being rolled out to all countries, UCPs included, as a key programming framework over the course of GEF-5 and GEF-6. There have been many other knowledge exchanges between upgraded countries, such as the UNDP GEF SGP Upgraded Country Programme Global Workshop in Mérida, Mexico, in 2013, Costa Rica in 2015, and Ecuador in 2018, and between upgraded and global programme countries (such as regional workshops, Expanded Constituency Workshops (ECWs), townhalls and webinars). Though these examples clearly illustrate attempts to create linkages between UCPs and countries in the global programme, they fall short of providing evidence of the implied “capacity transfer” indicated in the objective statement.

Upgrading remains a learning-by-doing process for countries, which requires support for the transition in project design and implementation arrangement. OP5 was essentially an exploratory period for UCPs, serving as a cautionary example of what happens where support is lacking. For example, The Philippines was in one of the first group of countries that upgraded at the start of GEF-5. The terminal evaluation of the Fifth Operational Phase of the GEF Small Grants Programme in the Philippines (GEF ID 4338) found that the design document failed to consider that a UCP is bigger and more complex to implement, and that the standard staffing prescribed in the earlier phases of an upgraded SGP will be inadequate to cope with the work demand for a landscape approach implementation. In Pakistan, the terminal evaluation reports that the Fifth Operational Phase of the GEF Small Grants Programme in Pakistan (GEF ID 4380) experienced procedural difficulties associated with the development and approval processes of the full-size project. The greatest challenge was the time and momentum lost to procedural delays. Based on the lessons learned in OP5, UCPs in OP6 and OP7 were given access to project preparation grants for preparation of their programming documents, which started to address this issue, and additional technical assistance, guidance, and support have been channeled through the Implementing Agency, CPMT, and UNOPS.

Upgrading places the SGP within the STAR allocation, which increases the influence of government. Whereas the SGP was originally designed as the GEF funding window for NGOs and CBOs, for UCPs this “dedicated window” is no longer independent from government. The impact of increased government control on funding can be seen in the case of Egypt, where its first operational phase as a UCP encountered nearly three years of additional delay because of the added need to secure government security clearances, the need to secure authorizations for nomination, and disagreements about control and accountability. Brazil, Costa Rica, and Egypt also reported that a clear disadvantage of the upgrading process has been the creation of multiple lines of accountability and reporting, which tend to increase the transaction cost of managing an SGP, all the while increasing the risk of political interference. In Costa Rica, it worked well because there were coincidences between different reporting lines, but the risk of conflicts or lack of proper direction remains embedded in the system if the reporting lines disagree strongly on specific issues or priorities.

The upgrading process has caused some level of confusion regarding the roles and responsibilities of actors in SGP. Some upgraded countries have raised concerns about the creation of multiple lines of accountability between SGP recipients, the NSCs, the SGP coordinator, and the government ministries and GEF focal points. As mentioned in the Egypt country case study, in OP6, “At the start of being a UCP, the SGP National team were confused with the new operational processes and UNOPS versus UNDP roles. The UNDP representative mentioned a similar confusion of roles and increased accountability risks for both UNDP and the government that sign-off a full-fledged national project that they have no control of since it is implemented by UNOPS.” Indeed, it was confirmed during interviews that there seems to be a certain level of discomfort among some UNDP Country Offices, who become accountable for funding for which they do not hold the balance of decision-making authority. Another example of confusion in lines of accountability could occur when UNDP takes over some of the

executing agency roles, such as when Bolivia (GEF ID 4481), Costa Rica (GEF ID 4382), and Ecuador (GEF ID 4375) upgraded in OP5, because of the absence of UNOPS in the country.

Upgrading requires a modification of the responsibilities and composition of the NSC. Lessons learned from the completed UCPs point out that the NSC should assume more of a strategic planning and oversight role, which allows it to focus on steering the overall programme by proactively designing calls for proposals so that the portfolio of SGP projects represents a clear and focused strategy to achieve global environmental benefits. However, it is reported that the Terms of Reference for the NSC remained unchanged in Ecuador, Egypt, India, Kenya, and Mexico during their first operational phase as upgraded countries.

The NSC was also set up to promote multistakeholder governance and limit the possibilities for any sector or organization to control the process. During OP6, the NSC in Costa Rica lost some of its civil society members, leaving more government members than civil society. A similar situation happened in Egypt as well in OP6, when the mid-term review of the Sixth Operational Phase of the GEF Small Grants Programme in Egypt (GEF ID 6956) found that civil society members were not well represented on the NSC. As suggested by the midterm review, increasing participation of NGOs and addressing participation of the beneficiaries in the target landscapes are needed to adjust the composition of the NSC to better fit the specific scope of the full-size project, and to maintain the spirit of the SGP.

Upgrading and global environmental benefits

The link between upgrading, country programme “maturity,” and the generation of global environmental benefits is tenuous. As stated in the upgrading policy that was approved in GEF-5: “The idea of “graduation” of SGP country programmes is a result of its rapid growth and the need for mature countries to expand and take on greater responsibilities while liberating core funds for new countries to

access the programme” (GEF 2009, iv). The upgrading process is conceived as an operational mechanism rather than as a vehicle by which increased, or better, global environmental benefits would be generated. Criteria for the determination of eligibility to upgrade are not related to the potential for global environmental benefits; nor are they directly related to the maturity of civil society in candidate countries. Rather, they are related to portfolio size and age and combined with the country’s level of development. As discussed by some respondents, “upgrading” is not a choice, but rather an obligation and the last option offered by the GEF for an “SGP Category 3 country” to stay in the SGP.

The potential for generating global environmental benefits seems to have been inferred from the opportunity to upgrade, in a sort of circular argument, as stated here: “Given the fact ... that mature countries are often those that are more effective in delivery of global environmental benefits and promotion of GEF agendas, (...) [graduation would mean] that a country is advanced in managing and sustaining SGP and is fully prepared to take broader responsibilities in an upgraded status” (GEF 2009, 13). However, it has been impossible to ascertain whether the countries that have upgraded were in fact “more effective in delivering [global environmental benefits]” than others, or by what logic this association between portfolio age and capacity may be true.

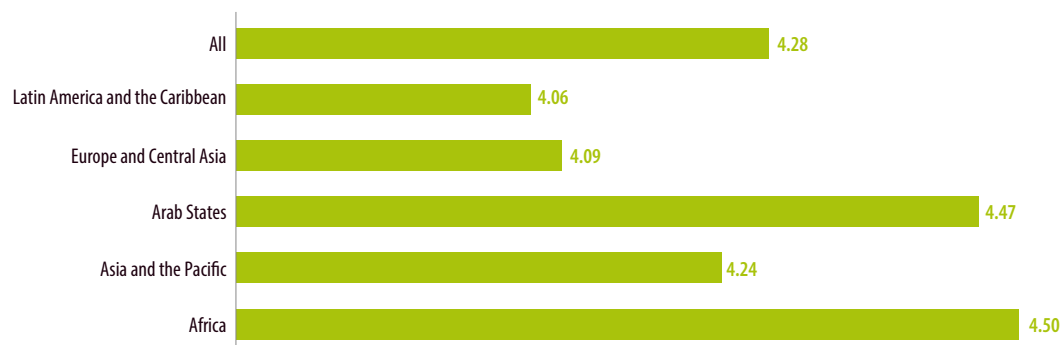
It is unlikely that upgrading leads to more global environmental benefits in the global programme or in upgraded countries. The link between upgrading and GEBs was first implied in the original decisions regarding the upgrading policy, for example, in a joint meeting of the SGP Steering Committee and stakeholders in 2009, participants concluded that “mature countries are often those that are more effective in delivery of global environmental benefits and promotion of GEF agendas,” leading to an upgrading policy that is based on the statement that “The growth of the SGP since 1992 has led to a proposed approach towards the ‘graduation’ of country programmes as part of their progressive evolution in delivering global environmental

benefits.²⁴ This evaluation did not undertake an analysis of the global environmental benefits per dollar generated from the SGP global programme and UCPs, compared to the overall GEF portfolio. The evaluation found it unlikely that UCPs generate more global environmental benefits when upgrading because resources spent on SGP are not spent on other STAR-financed initiatives. This is because upgrading or accommodating new countries in the GCP does not add more funds to a country's overall allocation, but transfers funds from one modality to another, with more transaction costs. The evaluation also found that it is unlikely that upgrading leads to more global environmental benefits being generated in the global programme countries unless each country that upgrades is replaced with a country generating similar levels of global environmental benefits, which is improbable in the first years because of the setup costs and the need for CSOs to learn how to engage with the SGP. The evaluation also finds that the conditions for sustainability in terms of CSO capacity are not always present, even in upgraded countries, to secure global environmental benefits in the long term. This is explored further in section 3.4 on sustainability.

There was disagreement among survey respondents about the costs and benefits of the upgrading process, also reflecting the lack of consensus on the long-term vision for the SGP. Based on the analysis of the survey, respondents from high-income countries (HICs), especially stakeholders from the government, multilateral organizations, and NGOs were less likely to favor upgrading.²⁵ Respondents from LDCs were more likely to favor upgrading (60 percent) as opposed to 50 percent of middle-income countries and 34 percent of HICs. Similarly, respondents with more years in the SGP were less likely to favor upgrading, and respondents with fewer years in the SGP were more likely to favor upgrading.²⁶

There were also statistically significant differences among regions,²⁷ as can be seen in figure 4. It should be noted that all regions were above the median scale of 3 from a rating range of 6 = completely in favor and 1 = completely do not favor. On a closer look, African countries and Arab states were more in favor of upgrading, with the prevailing reason given that there could be an increase in funds if they upgraded.

FIGURE 4. Survey rating of respondents on favorability to upgrade by region



Source: Evaluation global survey.

Note: n = 692 respondents. upgrade countries were removed in the sample; rating range is 6 = completely in favor and 1 = completely do not favor. The x-axis shows the rating scale of 1 (least in favor of upgrading) - 6 (highly in favor of upgrading). The bars show the average of ratings of respondents from each category (y-axis).

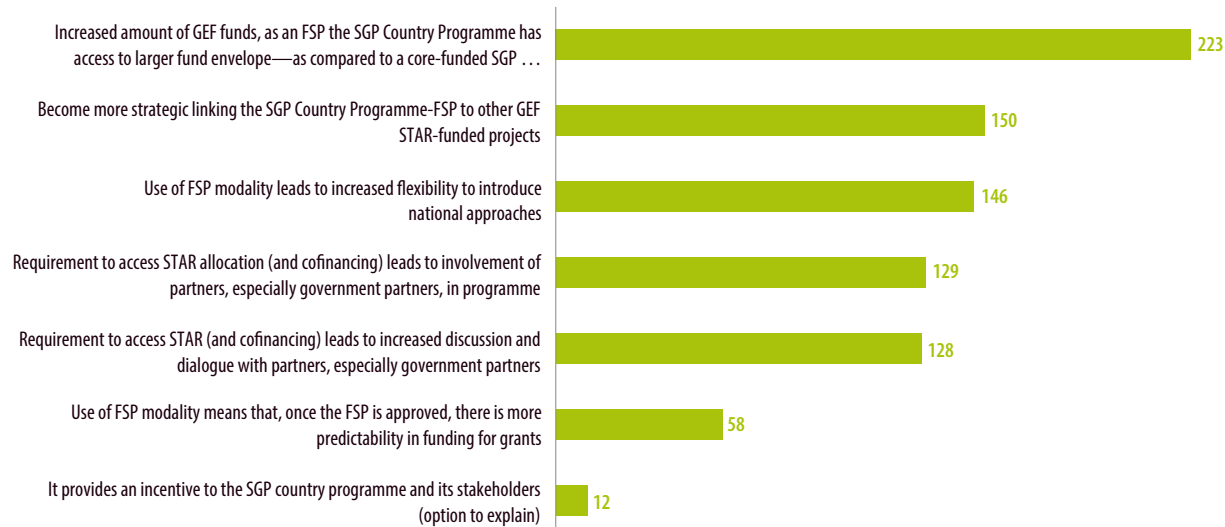
²⁴ SGP Steering Committee and Stakeholders, 7–8 January 2009. "Report of the Joint Meeting of the SGP Steering Committee and Stakeholders," 1–2; and Small Grants Programme Execution Arrangements and Upgrading Policy for GEF-5, GEF/C.36/4, 2009.

²⁵ Spearman Rank: rho -0.1395872 S = 45705275, p-value = 0.0004805*.

²⁶ Spearman Rank: rho -0.1518594 S = 100894654, p-value = 1.475e-05*.

²⁷ Kruskal-Wallis chi-squared = 12.511, df = 4, p-value = 0.01393*.

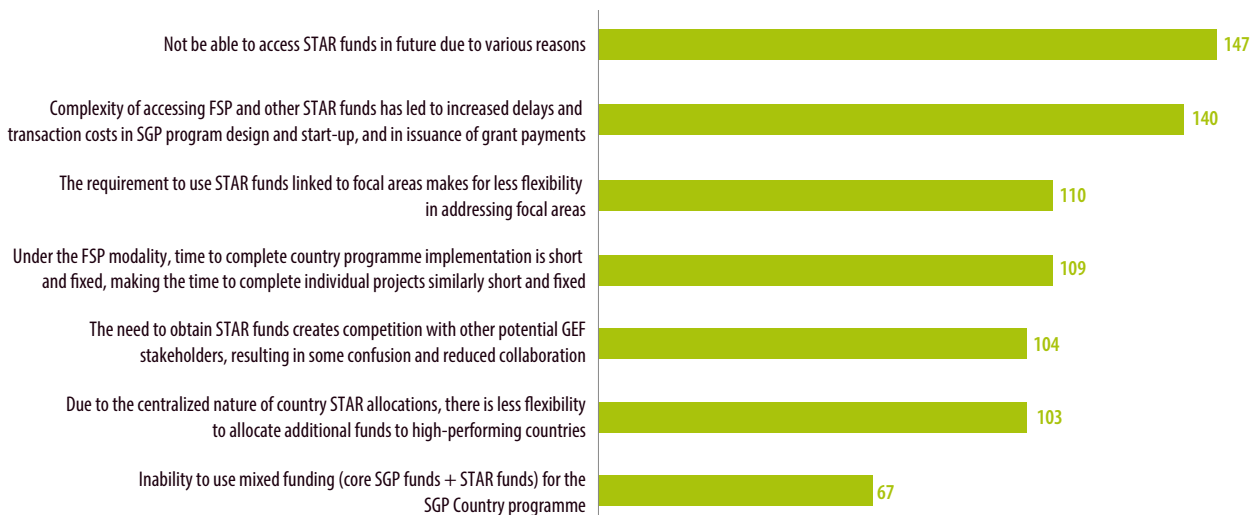
FIGURE 5. Survey response on the advantages of upgrading



Source: Evaluation global survey.

Note: $n = 223$ respondents, only upgraded countries replied to this question, each survey respondent was allowed to give only one response. The x-axis shows the number of respondents.

FIGURE 6. Survey response on the disadvantages of upgrading



Source: Evaluation global survey.

Note: $n = 223$ respondents, only upgraded countries replied to this question, each survey respondent was allowed to give three responses. The x-axis shows the number of respondents. FSP = full-size project; STAR = System for Transparent Allocation of Resources.

Relevance of the upgrading criteria

Because the fiscal context of the SGP has changed and is subject to change, the policy and criteria for upgrading are inadequate. The upgrading policy does not consider the fluctuations of the SGP financing envelope, whether there will be a continued need to create “fiscal space”,²⁸ the relationship between upgrading and the achievement of global environmental benefits, or the impact of programming interruptions on UCPs.

This brings us back to a consideration of the criteria for upgrading and their link to a presumed vision for the SGP. As noted in the second recommendation of the 2015 evaluation, “The introduction of upgrading and related policies contributed to the evolution of the SGP by setting out expectations for country programs and their development over time. (...) The current criteria for selecting countries to upgrade to full-size projects are not optimal” (GEF IEO and UNDP IEO 2015, 47). To our knowledge, the criteria for upgrading have not been sufficiently improved, although UNDP and the GEF report that they were internally discussed at the start of OP6 and OP7.²⁹ In the OP6 SGP Execution Arrangements,³⁰ the original criteria from OP5 are maintained but an additional threshold is added “to ensure that countries with STAR allocations below \$10 million would not be subjected to upgrading” and that governments committed to follow the SGP operational guidelines. If the purpose of the upgrading process is to act as an operational mechanism for adding countries to the global programme *without adding financing*, then this objective is met by transferring the risk, transaction cost, and the responsibility to countries who will no longer benefit from the global programme’s advantages. Additionally, the creation of “fiscal space” in the SGP is done at the expense of

“fiscal space” in each country’s STAR allocation under the GEF Trust Fund. In this context, the “net” financial benefit of upgrading would be received by the global programme and not by the country that upgrades. Also, while net “fiscal space” is created in the global programme, it may be reduced by the cost of inducting new countries, especially in fragile or LDC contexts.

If, however, the purpose of the upgrading process is to create conditions whereby more significant levels of global environmental benefits will be generated through CSOs, then it would need to be revised to consider criteria such as the capacity of civil society to generate a pipeline of suitable projects, the maturity of the government-CSO collaboration, or the sustainability of projects and organizations. Issues related to financing for the SGP—both minima and maxima—will also need to be reconsidered. Additionally, it bears remembering that the SGP was conceptualized as CSO-driven and as a grant mechanism that injected GEF funds directly to organizations who otherwise would not be able to compete for medium- and full-size projects with large GEF Implementing Agencies. This fundamental aspect of the SGP—and of CSO capacity—should be kept in mind when criteria for upgrading are being considered.

The difference between the two approaches is that in the first case, if the funding remains the same, upgrading can stop once all countries are somehow included in the SGP. If the funding decreases, however, there will need to be a further set of criteria for determining how to create “fiscal space.” If the funding increases, the need for upgrading may disappear. In the second option, there will always be a purpose for upgrading, but the thresholds and targets will be different.

²⁸ The term “fiscal context” refers to the funding envelope. “Fiscal space” refers to the amount of resources made available within the funding envelope, either to welcome more countries or to implement more activities.

²⁹ UNDP Management Response, Evaluation Resource Center; SGP in the GEF Management Action Record, 2015. According to interviews, a decision on upgrading criteria was postponed to GEF-8.

³⁰ GEF/C.46/13, GEF Small Grants Programme: Implementation Arrangements for GEF-6.

3.2 Effectiveness

This section focuses on the effectiveness of the SGP, specifically through the following questions:

- To what extent is the SGP contributing to the delivery of global and local environmental, and socioeconomic benefits?
- What are the key factors affecting the achievement of results?
- To what extent is the SGP promoting innovation?
- How effective are the SGP gender mainstreaming and inclusion of indigenous peoples approaches to delivering the SGP objectives?

Results achieved

The effectiveness for SGP grants is high, which speaks to the level of engagement of local stakeholders and to the ownership of the programme by local communities. From the analysis of activities on the ground, the SGP has either directly led to, or influenced, significant levels of results, both in terms of global environment benefits and in terms of socioeconomic benefits. The volume of projects and grants disbursed also points to a trend of increasing volume of environmental and socioeconomic benefits generated by the SGP. Overall, the level of resources

provided to the SGP has also risen, although there have been fluctuations over the years.

The number of projects and grants awarded by the SGP has grown considerably over the successive phases, as can be seen in table 6. From the pilot phase, 1992 to 1996, when only 33 countries delivered a total of \$10 million, to the latest operational phase (OP6) when 125 countries delivered over \$96 million, growth represents an almost fivefold increase in the number of projects implemented. As can be seen in table 7, the growth is marked for countries under “special circumstances” (LDCs, SIDS, or countries in a fragile state). The number of participating LDCs and SIDS has increased from 37 in 2007 to 85 in 2020. In addition, biodiversity remains the most funded focal area in the SGP, followed by climate change and land degradation (table 8).

In 2020 there were 2,812 projects under implementation and the SGP was active in 126 countries, bringing the cumulative total of SGP-supported projects to “25,117 projects (...) with total GEF and other donor funds of \$684.8 million. In addition, over \$837.2 million have been mobilized to cofinance these community based SGP projects at the country level. Of these, cash cofinancing constituted a total of \$377.2 million and was mobilized from multilateral and bilateral donors, foundations, NGOs, and other partners at the country level. (...)” (UNDP 2020a, 2).

TABLE 6. SGP growth: participating countries and grants awarded (million \$)

Operational phase	Number of countries	Number of projects	Grant amount	Cofinancing in cash	Cofinancing in kind	Cofinancing total
Pilot phase	33	602	10.63	5.16	6.66	11.82
OP1	45	877	15.21	10.66	8.00	18.66
OP2	73	4,489	96.10	69.62	83.77	153.39
OP3	101	3,205	78.17	63.27	58.63	121.90
OP4	122	4,611	128.81	81.41	77.40	158.81
OP5	128	7,077	227.49	118.28	159.91	278.19
OP6	125	3,130	96.26	35.23	55.30	90.53
Total	-	23,991	652.67	383.63	449.67	833.30

Source: UNDP 2019.

Note: OP6 is still under implementation, thus the number of projects and amount does not provide the full picture of the programme cycle.

TABLE 7. Growth in SGP participation by countries in special circumstances

Countries	1992–07 ^a		2007–14 ^b		2015–20 ^c	
All SGP countries	84		122		126	
LDCs, SIDS, & “fragile situations”	37	44%	63	52%	85	68%
LDCs	19	23%	37	30%	41	32%
SIDS	16	19%	28	23%	37	29%
“Fragile situations”	11	13%	24	20%	34 ^d /9 ^e	34%

Source: CPMT, calculations by the evaluation team.

Note: Not all categories of countries are mutually exclusive, i.e., some countries may be categorized as LDCs, SIDS, and fragile, so figures do not add up to the total; a. Data in this column include the Pilot Phase, OP1, OP2 and OP3; b. Data in this column include OP4 and OP5; c. Data in this column include OP4, OP5, OP6; d. Fragile Category as reported in the Organisation for Economic Co-operation and Development *States of Fragility 2020*; e. Extremely Fragile Category as reported in the Organisation for Economic Co-operation and Development *States of Fragility 2020*.

The portfolio analysis reveals that, as has been the case since the beginning of the SGP, the majority of grants went to projects in the biodiversity focal area, although this trend is decreasing to the benefit

of the mitigation and land degradation areas. The chemicals and waste, climate change adaptation, and international waters focal areas mobilize the least amount of funding, historically.

TABLE 8. Percentage of SGP grant funding by focal area over time

Focal areas	1992–07 ^a	OP4	OP5	OP6
Percent of grants				
Biodiversity	55	44	37	39
Capacity development	<1	<1	6	9
Chemicals and waste	2	2	3	5
Climate change mitigation	15	24	25	23
Climate change adaptation	<1	4	4	4
International waters	5	5	3	2
Land degradation	9	14	20	17
Multifocal area	14	6	<1	<1

Source: 2015 SGP evaluation report, SGP database.

a. Data in this column include the Pilot Phase, OP1, OP2, and OP3.

In characterizing the results that have been delivered by the SGP as a whole, it should be remembered that SGP country programmes report results as an aggregation of grant-level results. Each individual grant (regular grants at \$50,000 maximum, strategic grants at \$150,000 maximum) yields a small level of results and it is only in the geographic and time-scale aggregation that one begins to see the

extent to which the SGP is effective in its intended purpose. As was noted in the country case studies, the results of the SGP can be measured in “tangible” indicators as well as in “intangible benefits,” such as the creation of trust, dialogue, ethos, or communities of practice and knowledge. Box 3 shows an example of how local activities contribute to global environmental benefits.

BOX 3. Zones villageoises d’intérêt cynégétique (ZOVIC) in Burkina Faso (acting locally for global environmental benefits)

SGP helps translate local action to global environmental benefits

An example of local SGP action generating global environmental benefits is the *zones villageoises d’intérêt cynégétique* (village areas of hunting interest) or ZOVICs in the village of Sya on the outskirts of the Nazinga ranch in Nahouri province of Burkina Faso. The Nazinga ranch is a large state-listed forest with about 3,000 people. About 41 species of medicinal plants used by locals are native to these ZOVICs and the rest of the ranch. Also, the area is home to one of the last remaining populations of West African elephants, *Loxodonta africana*, numbering about 600 heads—a species classified as Vulnerable by the International Union for the Conservation of Nature Red List. The area is also the habitat of the African Vulture *Gyps africanus*, a species classified as Critically Endangered. In addition, at least two plant species—Shea (*Vitellaria paradoxa*) and African mahogany (*Azelia Africana*) are native to ZOVICs and are classified as Vulnerable.

The 11 ZOVICs that surround this ranch have all benefited from SGP funding. SGP projects enhanced residents’ role in maintaining this protected area, improving buffer zones, and providing alternative livelihood resources. From 2007–11 the ZOVICs have generated about \$20,700 of income for eight villages and the two communes, on top of building the social cohesion of village communities and conserving the species within these ZOVICs.

Source: Burkina Faso country case study.

As noted in the SGP M&E Strategy, the results of the SGP are as much a factor of “what” the SGP is doing as of “how” it is doing it. However, the GEF primarily reports on results and indicators related to global environmental benefits, and largely classifies the other types of results as “cobenefits,” such as inclusion, innovation, or socioeconomic benefits. The GEF uses a set of Core Indicators to report on key priority results areas across the Partnership that provide numerical figures for results under focal areas (e.g., “number of hectares of landscapes and seascapes under improved management”). Separately from this, it considers the full results framework during project design and the various indicators used to assess progress to project objective. The GEF also conducts results analyses that focus on more than the core indicators. Still, the GEF reporting system does not provide enough nuance to allow for a full consideration of the scope of the SGP’s results at the global level.

The SGP’s results tracking database reports the following data, which are corroborated by the evaluation’s analysis of sampled projects in the case studies: between 2015 and 2019 6,006 projects are recorded, with an estimated expenditure of \$190 million.³¹ The Annual Monitoring Report (UNDP 2020a) highlights the SGP achievements (annex B).

The SGP Report Card and annual monitoring reports, which compile programme-level results for the various periods, note the following key results. In the biodiversity focal area, which comprises on average 40 percent of the funding envelope, the SGP reports an average of 1,046 significant species conserved annually, with the highest amount in 2014–15 (1,507) and 859 in 2018–19 alone. This is combined with work on more than 2,200 protected areas and indigenous and community conserved areas since 2014. In 2017–18, the SGP reported 7.1 million hectares of landscapes and seascapes under sustainable use. In 2019–20 a total of 17.1 million hectares of protected areas were covered. It should

be noted that, given the small scope and short duration of interventions, many of the results are of an indirect nature, where SGP stakeholders “influence” a set of outcomes.

In terms of climate change, according to the 2019–20 Annual Monitoring Report of the SGP, the largest part of the SGP portfolio focuses on renewable energy and energy efficiency (more than 68 percent on average annually) and the rest focuses on conservation and enhancement of carbon stocks. The 2019–20 Annual Monitoring Report mentions 44,106 households who benefited from energy access thanks to SGP interventions, an increase from previous years (36,000 in 2018–19, and 2,000 households with energy access cobenefits in 2017–18).

Under the land degradation focal area, the SGP had completed in 2019–20 a total of 2,000 projects, reaching more than 1.6 million people with the demonstration of sustainable land and forest management practices. In 2017–18, 56,000 hectares of land were brought under sustainable management, adding another 180,000 hectares of land the following year, and in 2019–20, a further 41,238 hectares of forests and non-forest lands were restored.

The use of the landscape and seascape approach has also led to the protection of 5,713 hectares of seascapes under sustainable management in 2019–20 and 107,297 hectares of coastal areas under sustainable land management in 60 seascapes. Finally, over the period 2014–19 the SGP eliminated 7,640 tons of land-based pollution in marine ecosystems, as well as 56,819 tons of solid wastes “avoided from open burning.” In 2019–20, the SGP also completed 13 mercury management projects.

As indicators of global environmental benefits, these figures are in keeping with the results tracked in the overall GEF portfolio under the

³¹ The evaluation used a February 2020 download of projects. In the database, six projects had allocations below \$400 and 65 projects had \$0 allocation.

core indicators. To these results, the SGP also adds several process-oriented results including policy dialogues, knowledge management and exchange, and broader awareness raising.

Most of the projects reviewed in the case studies have satisfactory outcome ratings, as illustrated in table 9. There was a marked increase in

positive rating, from 77 percent of projects in the satisfactory range in the 2015 evaluation to 92 percent in this evaluation. For the UCPs, 100 percent of the completed projects ($n = 12$) are rated in the satisfactory range for outcomes in the terminal evaluations, compared to 88 percent for the completed GEF projects ($n = 153$) from the GEF-5 period (GEF IEO 2020b).

TABLE 9. Overall outcome ratings of sample projects

Rating	Percent of projects
Satisfactory range (HS, MS, S)	92
Highly satisfactory	26
Satisfactory	52
Moderately satisfactory	15
Unsatisfactory range (HU, MU, U)	3
Moderately unsatisfactory	2
Unsatisfactory	1
Unable to assess	4
Total %	100

Source: Evaluation country case studies.

Note: $n = 95$ projects.

Results achieved across the upgraded country portfolio

Since the upgrading started in GEF-5, there is a total of 34 full-size and medium-size projects, amounting to \$126.19 million in grants and \$194.31 million in cofinancing, in the portfolio of UCPs as

of December 2020. As presented in table 10, the total GEF grant amount for UCPs has remained at about the same level during the period from GEF-5 to GEF-7, while the number of UCPs as well as the promised cofinancing amount have increased over the GEF phases.

TABLE 10. Distribution of upgraded country programmes by GEF phase (million \$)

GEF phase	Number of upgraded country programmes	Sum of GEF grant amount	Sum of promised cofinancing
GEF-5	9	43.19	46.54
GEF-6	12	40.00	71.46
GEF-7	13	43.00	76.30
Total	34	126.19	194.31

Source: GEF database.

Note: GEF grant amount includes GEF grant, project preparation grant, and Agency fee. The cut-off date is December 31, 2020.

The nine countries with the longest-standing and most mature SGP country programmes were transitioned to implement UCPs during GEF-5. Since then, six additional countries upgraded in GEF-6, and Malaysia recently upgraded in GEF-7 (table 11).

Among the 16 upgraded countries, the top three countries with the largest amount of GEF grants are Mexico (\$15.04 million), Kenya (\$12.4 million), and Bolivia (\$10.78 million); each of these has implemented the SGP three times as UCPs.

TABLE 11. Distribution of upgraded country programmes by country (million \$)

Country	Number of upgraded country programmes	Sum of GEF grant amount	Sum of promised cofinancing	Year upgraded
Mexico	3	15.04	21.73	2011
Kenya	3	12.40	14.26	2011
Bolivia	3	10.78	21.80	2011
Brazil	2	10.40	15.40	2011
India	2	10.40	14.60	2011
Philippines	2	9.95	14.32	2011
Costa Rica	3	9.75	15.13	2011
Ecuador	3	8.75	12.03	2011
Indonesia	2	8.00	16.23	2016
Pakistan	2	6.00	6.69	2011
Peru	2	5.80	9.64	2016
Egypt	2	5.54	10.77	2016
Sri Lanka	2	4.85	7.50	2016
Kazakhstan	1	3.00	4.70	2016
Malaysia	1	2.85	4.10	2019
Thailand	1	2.69	5.41	2016
Total	34	126.19	194.31	-

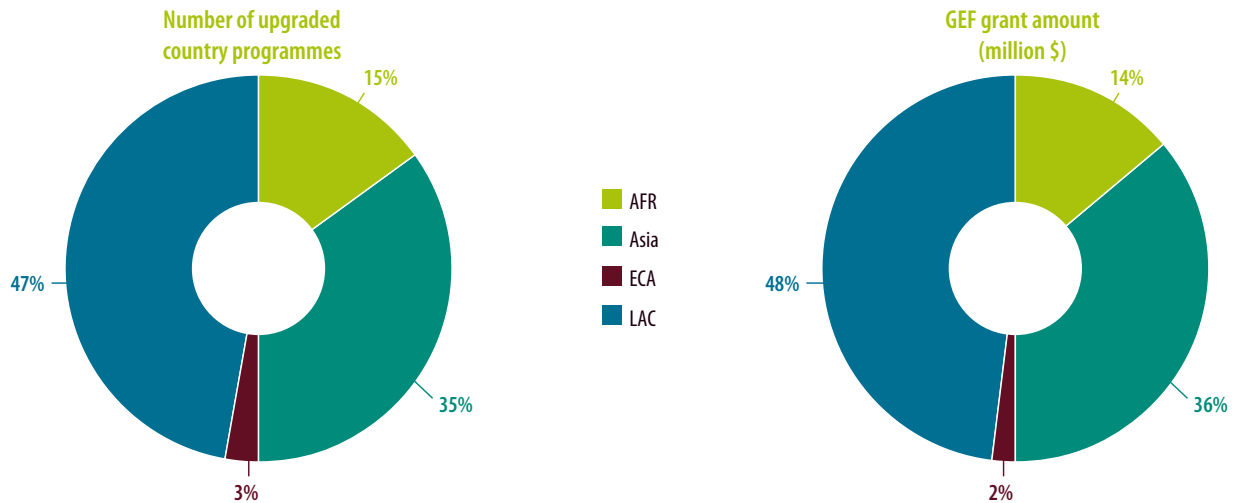
Source: GEF database.

Note: Depending on which year a country qualified as upgraded, it can have a maximum of three upgraded country programmes as of December 2020. Year upgraded refers to the year of CEO endorsement. GEF grant amount includes GEF grant, project preparation grant, and Agency fee. The cut-off date for this table is December 31, 2020.

Figure 7 shows the four regions, where Latin America and the Caribbean has the highest number of full-size and medium-size projects (16) as well

as the largest GEF grant amount for its portfolio (\$60.51 million), followed by Asia (12, \$44.73 million).

FIGURE 7. Distribution of upgraded country programmes by region



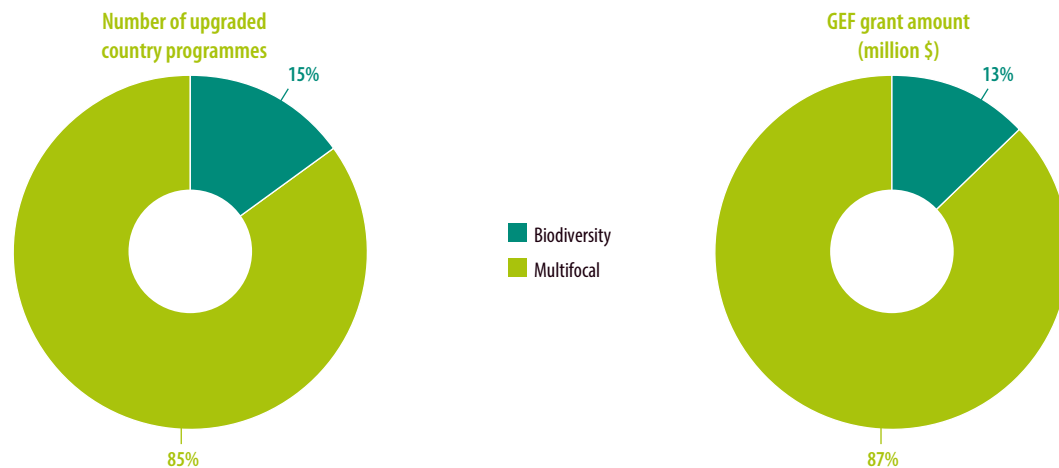
Source: GEF database.

Note: AFR = Africa; ECA = Europe and Central Asia; LAC = Latin America and the Caribbean.

Multifocal area projects account for 85 percent of total project number in the UCP portfolio and 87 percent of total GEF grants (figure 8). This is in line with the distribution of the overall GEF portfolio that shows an increasing share of multifocal area

projects (GEF 2019, 3). The most common focal area combination for the multifocal area projects is a combination of biodiversity, climate change, and land degradation, which accounts for 20 out of the 29 multifocal projects.

FIGURE 8. Distribution of upgraded country programmes by focal area



Source: GEF database.

All of the 12 completed full-size and medium-size projects in the UCP portfolio reported positive environmental outcomes in terminal evaluations in the form of increased area of landscape under improved management, totaling 2.2 million hectares. Six projects reported greenhouse gas emissions mitigation of 33.8 million metric tons. Five projects contributed to forest restoration and increased vegetation cover, reaching 15,500 hectares. Other achieved environmental benefits include improved management of protected areas, species conservation, increased area under marine conservation, and reduced soil erosion.

Nine ongoing UCPs in GEF-6 and eight UCPs approved in GEF-7³² aim to bring a total of 1.2 million hectares of land under improved management. In addition, 10 UCPs set the target to restore 228,390 hectares of land in total, and 6 UCPs are working on improving management of 56,837 hectares of marine habitats. With respect to climate change mitigation, 15 out of 17 ongoing UCPs also aim to reduce 7.7 million tons of greenhouse gas emissions. Other targeted global environmental benefits include improved management of freshwater basins and establishing community-based protected areas.

Grantmaker Plus

There is value in the activities encompassed under the broad heading of Grantmaker Plus, but the reclassification of activities, the increasing number of programmatic options, and the terminology can lead to some confusion. In addition to supporting local organizations in developing environmental solutions, the SGP has engaged in what it terms since OP6 “Grantmaker Plus” activities, a set of activities designed to “enhance the overall effectiveness of SGP portfolio” (UNDP 2014). These include activities that support the creation of CSO-government policy dialogues, promote social inclusion, and increase the reach of knowledge.

In terms of results under these areas, the following have been reported in the 2019–20 Annual Monitoring Report: “83 SGP Country Programmes reported having strengthened grantee networks; 83 promoted peer-to-peer knowledge exchanges; 80 organized training within project grants on specific technical issues; 86 organized training for SGP grantees on different subjects to improve project implementation; 82 connected grantees with government services; 80 connected grantees with NGOs/INGOs; 74 connected grantees with academia or research centers; 60 connected grantees with development agencies/practitioners; and 65 [Country Programmes] connected grantees with private sector companies” (UNDP 2020a, 14). These figures are in line with trends reported for previous periods as contained in the SGP Report Card.³³

Further activities have taken place on issues such as technology transfer, promotion of learning, exchanges between communities and CSOs, training, knowledge, and communications publications. In 2019–20, the SGP reports holding 180 dialogue platforms (UNDP 2020a, 15).

Some Grantmaker Plus activities were previously included in the SGP, albeit under different terminology, such as social inclusion (indigenous peoples, people living with disabilities, gender). As noted in the OP6 project document, the term Grantmaker Plus was coined to reflect “the formalization and more organized implementation of previously more ad-hoc support activities into a ... set of roles designed to support scaling up, mainstreaming and replication that will provide higher level capacity development (i.e., IP Fellowships), networking and institutional support, knowledge sharing (i.e., South-South Technology Exchange Platform), and advocacy mechanisms at national level (i.e., CSO-government Dialogue Platforms), and where relevant, all these to extend to regional and global levels” (GEF IEO 2018, 11).

³² Five full-size and medium-size projects in the UCP portfolio that were approved between May and December 2020 are not included in this analysis.

³³ SGP report card, as communicated by SGP CPMT; see annex B for the full table.

These initiatives are implemented through regular grants and country operational budget by the national coordinators at the country level, and not by global-level expenditures.

From the perspective of this evaluation, it is not clear whether this new designation has actually led to higher levels of capacity development, inclusion, and advocacy or whether it has been an exercise in labeling designed to allay concerns regarding global-level expenditures. It should be remembered that this terminology emerged in the midst of a complex and sometimes difficult debate between the GEF and UNDP on the division between “grant-making activities” and so-called “non-grant”³⁴ activities. This is explored further in section 3.3 on efficiency.

In another repackaging of its interventions itself, in line with the GEF’s gradual shift toward programmatic approaches, impact programmes, and the like, the SGP has also adopted new approaches which it has designated as “strategic initiatives,” innovation pillars or thematic programmes. For example, in 2015, for OP6, the SGP generalized the application of landscape and seascape approaches in an attempt to “concentrate”—at least geographically—its results for higher impact. Following this logic, countries were asked to give grants within the scope of a particular landscape or seascape. This approach has been seen by many countries, and this evaluation concurs, as bringing much added value to the use of focal areas. For example, in Afghanistan, grants were allocated to the priority landscapes of Bande Amir and Kabul, allowing for an increased scope of results in the restoration and sustainable management of protected areas (Bande Amir National Park), safeguarding species diversity and populations of migratory waterfowl (Kol-e-Hashmat Khan). This geographic concentration allows for a particularly fragile or threatened ecosystem to benefit from

an increased number of projects, addressing the multiple barriers that may fit within different focal areas. The scope of results is therefore increased.

However, in some cases the application of the landscape and seascape approach comes with possible downsides, if the scale of intervention is not aligned with the level of resources, as seen in the case of Egypt, where it was found that resources were inadequate to support such a programmatic approach at an adequate scale. Though the landscape approach does not imply that a full landscape should be covered, in certain cases geographic concentration may be insufficient to achieve outcomes at landscape scale. “The new landscape approach in OP6 covers large geographic areas, extending into multiple governorates with millions of inhabitants. Implementing a landscape approach across these expansive regions is inconsistent with the resources and time allocated for the project, as well as the capacities of the local NGOs.”³⁵

Over the years, the SGP has gradually added several themes, initiatives, and special interest programmes to its programming framework. In OP6, the landscape and seascape approaches were part of four “integrated focal area strategies” (also designated as “strategic initiatives” or “multifocal platforms” in various documents), designed to reflect the fact that many projects could fit under multiple focal areas, like many of the GEF projects. The other three integrated focal area strategies are Climate Smart Innovative Agro-ecology, Low-Carbon Energy Access Co-benefits; and Local to Global Chemicals Management Coalitions (UNDP 2016). In addition to these, participants in the SGP seventh operational phase could also use new “strategic initiatives,” of which there were five—sustainable agriculture and fisheries; low-carbon energy access benefits; community-based threatened ecosystems and species conservation;

³⁴ In this report, the term “non-grant” is used to characterize technical and management activities delivered directly by SGP outside the usual grant awards. The term does not refer to the use of financial instruments such as loans, guarantees, or other “non-grant instruments” as used in GEF terminology. Please refer to section 3.3 on efficiency for more detail.

³⁵ Egypt country case study.

land and water; local to global coalitions in chemicals and waste management; and catalyzing sustainable urban development. It should also be noted that the integrated focal area strategy terminology did not remain in use, and these initiatives are now referred to as “SGP Strategic Initiatives.”

Still under the umbrella of the Grantmaker Plus strategies, the SGP also designed a series of “Innovation Programmes” to address emerging issues related to the SGP’s strategic initiatives in selected countries. These were implemented through the regular SGP grant modality (UNDP 2020a). They included: Artisanal and Small-Scale Gold Mining; Women-led Enterprise; Persons with Disabilities and Responsive Development; Indigenous Peoples and Energy Access; Youth and Climate Change; Big Cats Conservation; Sustainable Land Management in the Sahel Region; Mountain Products and Value-chain Development; and South-South Cooperation. And finally, the SGP also implements a set of global initiatives such as the Global Support Initiative for Indigenous Peoples and Community-Conserved Territories and Areas, which are supported from non-GEF financing, but that also make use of the SGP grant modality at the national level.

The purpose of this repackaging or relabeling of the SGP’s programming framework over the years is unclear. An examination of the projects shows that the fundamental aspects of the SGP and its work have not changed much over the years and, in fact, that all the projects make use of the traditional grant modality at the local level, except for those activities that are delivered at the global level by the SGP team. Its core philosophy and ethos (inclusion,

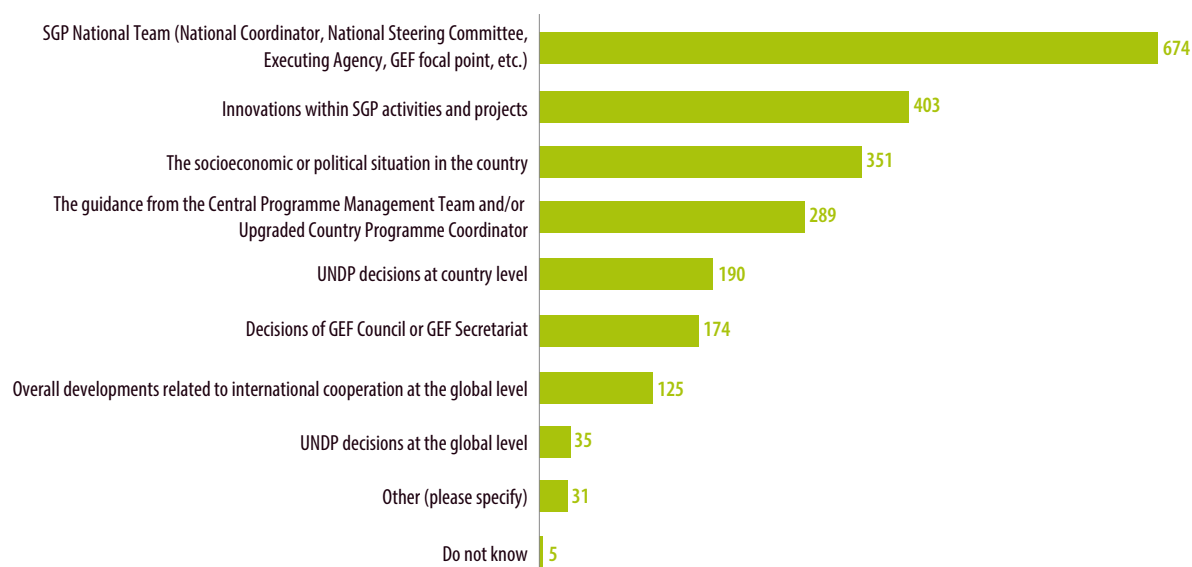
participation, civil society empowerment) have also remained stable. It may be that these successive revisions to the programming framework are designed to help keep pace with the trends of the day, and to align with broader international and GEF policies and programming frameworks—both legitimate purposes, but they also come with a cost in terms of complexity and reporting.

Overall, our summary analysis of results achieved since the 2015 evaluation, based on SGP reports, country case studies, surveys, and interviews, shows steady progress across the portfolio. As seen in the SGP Report Card (annex B), the magnitude of results achieved in all focal areas has been commensurate with the level of financing and operations at the local level.

Key factors affecting achievement of results

High levels of ownership, the dedication of national teams, the space for innovation and partnership, and the use of a landscape and/or seascape approach to grant distribution are the key factors influencing achievement of results. Survey respondents invariably referred to the SGP national team as the main reason for the success of a small grant programme in the country (figure 9). This view was also reflected in the numerous interviews conducted by the evaluation. In particular, stakeholders cited the high level of dedication on the part of the SGP NSC members, and the efforts of the national coordinators. Interestingly, the second factor of success most often named by survey respondents was the level of innovation—or the freedom to innovate—which is at the heart of the SGP’s mandate.

FIGURE 9: Factors that most influence the success of SGP in the country



Source: Evaluation global survey.

Note: $n = 925$ respondents, each survey respondent was allowed to select up to three responses. The x-axis shows the number of respondents.

In many cases, the SGP is the first financing partner for initiatives that are considered new at the local level and for piloting different approaches—including different ways of working inclusively. Successful innovative projects that have benefited from small-scale support through the SGP can then be replicated or scaled up by government and other donors, who are usually risk averse and prefer to implement projects that have received a “proof of concept.” As agreed by several interviewees, the SGP is a programme that can break down a large fund into small implementable units (grants), which has high implementation success because the proponents and implementer are also the beneficiaries.

Another factor contributing to the achievement of results is the CPS and the inclusive process that leads to the determination of national small grants programme priorities. The most frequently reported factor that contributes to the achievement of results is high country ownership of the small grants programme. SGP projects are very much

appreciated and recognized by the national government, local government authorities, and communities, in both upgraded countries and the global programme.

The landscape and seascape approaches have also delivered promise as a way to concentrate activities, which is considered a contributing factor to the achievement of SGP results. Results from OP5 in Costa Rica and Bolivia tend to demonstrate that the concentration of activities in a relatively small area can make a significant difference in environmental benefits.

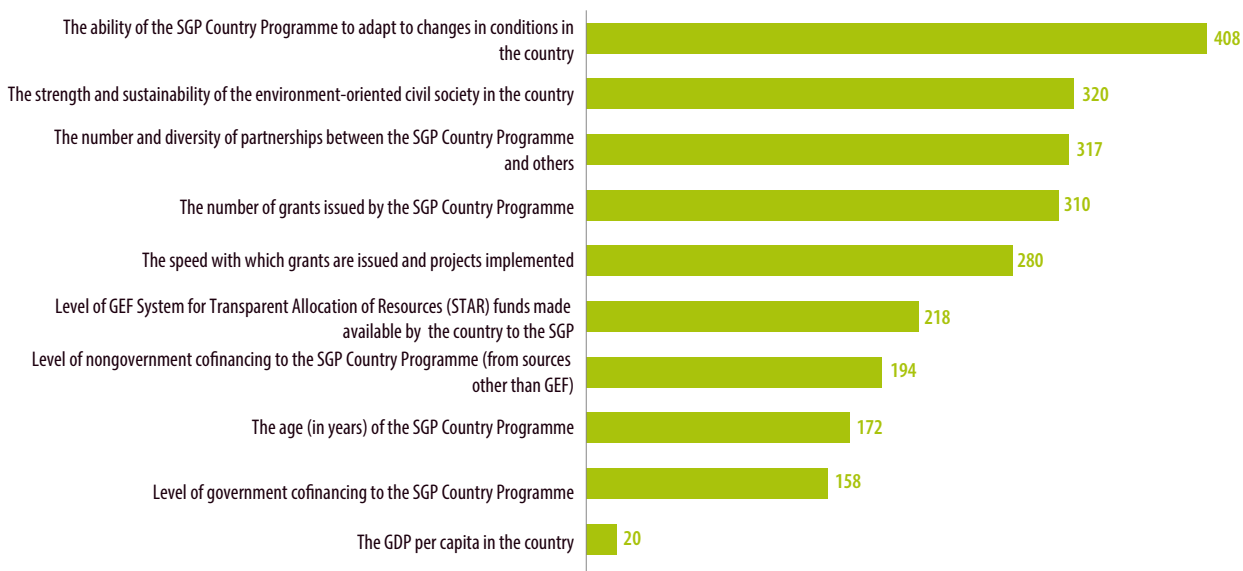
Another key factor of success is the ability of the SGP to foster partnerships across a wide spectrum of stakeholders. The experience of community work and experience in the field help build trust and commitment links among the involved parties, which contribute to enhancing sustainability, replication, and upscaling of activities. These results tend also to improve over time as the SGP accrues a reputation in the countries where it is active.

The strength and sustainability of civil society in a country also enables results. The level of maturity can be understood as the result of multiple factors: the ability of the SGP country programme to adapt to changes in national circumstances, which requires a level of organizational resilience; and the strength and sustainability of civil society in the country. This was noted in the survey as well (figures 10 and 11), and it reinforces our earlier analysis that the SGP upgrading criteria and policy should be first and foremost based on an analysis of national civil society capacity.

Incomplete knowledge management and communication strategies were reported by several countries as a factor preventing or hindering upscaling, despite high volumes of information being generated. This may be particularly the case in UCPs, because the global programme makes efforts to share the costs of knowledge management across countries. As pointed out in the terminal evaluation

of the Sixth Operational Phase of the GEF Small Grants Programme in Pakistan (GEF ID 9331), and the terminal evaluation of the Fifth Operational Phase of the GEF Small Grants Programme in Kenya (GEF ID 4362), knowledge management and exchange were not sufficiently prioritized or planned in the project. In OP6, knowledge management strategies were prepared for 4 out of the 12 upgraded countries, with more work under way in the past year. In response to this challenge, CPMT has provided a series of knowledge management guidance documents, technical advice, and other support for both UCPs and global country programmes. Additionally, all the newly approved UCPs in GEF-7 have identified specific knowledge management activities that will promote replication and upscaling across the landscapes, across the country, and to the global SGP network. Finally, the SGP produces a high volume of knowledge products, such as publications, fact sheets, forums, and databases, which can be leveraged to support upscaling.

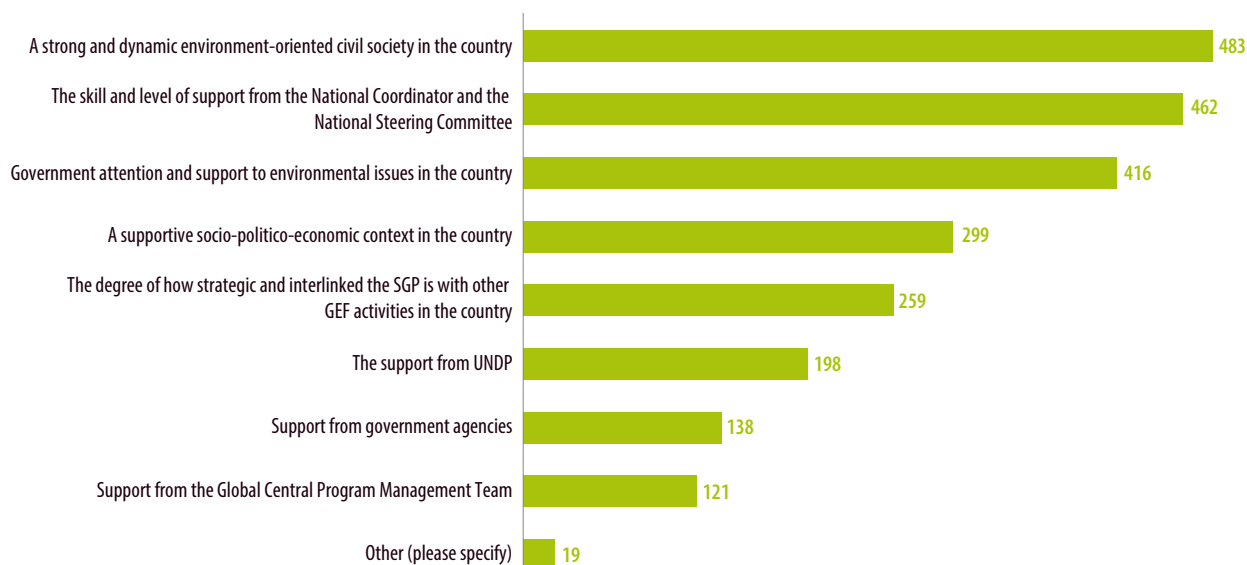
FIGURE 10. Factors that most influence the maturity of an SGP country programme



Source: Evaluation global survey.

Note: *n* = 925 respondents, each survey respondent was allowed to select up to three responses. The x-axis shows the number of respondents.

FIGURE 11. Factors that best help an SGP country programme become mature



Source: Evaluation global survey.

Note: $n = 925$ respondents, each survey respondent was allowed to select up to three responses. The x-axis shows the number of respondents.

Innovation in the SGP

Innovativeness is a fundamental factor of success in the SGP. As a reminder, we have defined innovation as something that can (1) be new in a specific context; (2) represent an improvement compared to conventional alternatives (e.g., better quality, scale, efficiency, sustainability, replicability, or scalability of outcomes; (3) catalyzes or produces environmental benefits and may also result in socioeconomic benefits related to the target environmental benefits; and (4) could be associated with risks and higher likelihood of failure.³⁶

The global survey asked respondents to which innovation domains³⁷ their SGP projects contributed. The majority claimed that most of their projects contribute to the Technological Domain (figure 12). As an example, the Egypt case study notes that SGP-Egypt prioritized creativity and innovation since its start in 1992: “the first commercial biogas unit in Egypt was implemented by SGP in 1994; the first medicinal herbs in Sinai were developed by SGP in the late 1990s before the Egyptian Environmental Affairs Agency (EEAA) prioritized natural protectorates; the first bicycle sharing project was implemented

³⁶ See approach paper and survey questions, annex A and annex D respectively.

³⁷ **Policy Innovation Domain:** refers to an approach, regulation, a practice, or a legislative policy which incorporates or combines multifaceted approach; new regulations or standards to achieve investment objectives; policies to support pricing mechanism; **Business Model Innovations Domain:** includes development of new concepts supporting an enterprise’s financial viability, including its mission, and the processes for bringing those concepts to fruition; **Innovative Financing Domain:** includes any financing approach that helps to generate funds by tapping new funding sources or by engaging new partners, including those that enhance the “efficiency” of financial flows by reducing delivery time and/or costs, and make financial flows more results-oriented; **Institutional Innovation Domain:** often refers to changes in organizations to facilitate greater effectiveness in the management of global environmental benefits. It can also mean changes in informal institutions (values, beliefs, customs), and formal institutions (markets, marriage) which guide the individuals’ behavior and their interactions in communities. **Technological Innovation Domain:** where new products and processes and significant technical changes in existing products and processes are developed.

by SGP in 2001 despite initial concerns; the first solar water heaters for poor areas were promoted by SGP; and providing a successful business model to distribute LED lamps through installments implemented first by SGP, then picked up by the Ministry of Electricity and Renewable Energy with support from UNDP.³⁸ During OP5, the UCP in the Philippines pioneered the energy-efficient brick kiln, which is viewed as a ground-breaking innovation instrumental in fuel conservation and reducing air pollution. The Punjab provincial government in India has formally asked the SGP for replication of this design in the province. Box 4 gives a concrete example of how innovations are meeting emerging national challenges through the SGP.

The second highest-rated domain was institutional innovation. For example, the Argentina country programme has been highly effective in the development and diffusion of innovation. From projects analyzed, the overall rating for innovation is an average of 3.3 out of 4 points, with the majority of innovations identified in the Institutional Innovations category (10), closely followed by Technological Innovations (9), Business Model (4), Policy (2) and Financing (1). The large concentration on the Institutional Innovation domain was attributed to the fact that a large number of projects supported indigenous communities who had had difficulties obtaining legal status. Still in Argentina, it was found that some of the innovations have a high potential for global scalability. One of the cited examples, within the framework of the “Big Cats Conservation” Innovation programme of SGP, was the use of cameras in species monitoring and preservation, as an innovative strategy, in an area where the use of such technologies had been constrained by difficulty of access.³⁹

Conversely, the domain in which respondents saw the least amount of innovation was within the Policy Innovation Domain (figure 12), even though since OP6, one of the Grantmaker Plus Strategies, the CSO-Government Policy and Planning Dialogue

Platforms, directly links to policy. This finding could be attributed to various causes: it may not be possible to generate or observe policy innovation within the time span of a single SGP grant (lasting up to 18 months), or participants in the small grant programme may not feel like they have sufficient influence on policy. As noted in the Burkina Faso country case study, “Dialogue between the CSO and government on environmental policy and planning is very embryonic, informal and occasional. CSOs do not yet have the capacity to influence public policy on environmental conservation.” However, the creation and fostering of such CSO-Policy dialogues can be effective, as pointed out in the case of Mexico, where the small grant programme team can now, as a result of SGP Grantmaker Plus initiatives, engage in public policy making (e.g., technical and financial support for conducting state biodiversity studies and strategies, agroecology strategies, etc.), which would have been difficult otherwise.⁴⁰

The GreenCrowds platform⁴¹ demonstrated by Ecuador is an innovative initiative within OP6 (Sixth Operational Phase of the GEF Small Grants Programme in Ecuador, GEF ID 9460). As reported in the terminal evaluation, the GreenCrowds platform contributes to establishing links with the private sector, urban rural initiatives, and the entrepreneur community, and to developing new strategic alliances with private companies to create awareness on the sustainable local efforts. It has been innovative for the project’s cofinancing within OP6, in the face of a significant budget cut. In addition, Ecuador enhanced the Monitoring, Technical Assistance System (SIMONAA) by incorporating financial information and synthesizing the tool with an innovative M&E model that involved communities in the production of the report. It has enabled the Technical Assistance, Monitoring, and Evaluation Teams (EQUIPATEs) to assist all the community organizations and to accomplish project data gathering at all levels.

³⁸ Egypt country case study, edited.

³⁹ Argentina country case study.

⁴⁰ Mexico country case study and Burkina Faso country case study.

⁴¹ Available on <https://greencrowds.org/>

FIGURE 12. Survey scoring of SGP contribution to innovation domain in



Source: Evaluation global survey.

Note: $n = 925$, each survey respondent was allowed to give only one response. The x-axis shows the number of respondents.

Out of the 95 projects that were assessed (table 12), our analysis showed that each SGP project typically includes one or two innovation domains.

At least 88 percent of SGP projects have a measure of innovation being implemented.

TABLE 12. Overall innovation scoring of sample projects

Rating description	Percent
Innovations were integrated throughout the project cycle and results with more than two innovation domains tackled.	18
Innovation concerns were integrated throughout the project cycle and results with at least two innovation domains tackled.	32
Innovation concerns were integrated throughout the project cycle and results with at least one innovation domain tackled.	38
The project did not integrate innovation concerns or only to a limited extent.	8
The project design did not include any reference to innovations. Generally, the project was not expected to contribute noticeably to innovation.	1
Unable to assess this dimension.	3
Total %	100

Source: Evaluation country case studies.

Note: $n = 95$ projects.

The SGP's ability to incentivize and foster⁴² innovation is perceived unevenly across different regions and stakeholders. There were differences in how stakeholders perceived the SGP's ability to incentivize and foster innovation (figures 13–15). In

the global survey, there were statistically significant differences when the responses were grouped by regions,⁴³ institutions,⁴⁴ and roles in the SGP.⁴⁵ Across regions, it showed that Europe and Central Asia rated the ability of the SGP to incentivize

⁴² Fostering innovation requires setting conditions whereby innovation may spontaneously emerge. Incentivizing requires explicitly rewarding or prioritizing innovation.

⁴³ Kruskal-Wallis chi-squared = 13.325, $df = 4$, $p\text{-value} = 0.009792^*$.

⁴⁴ Kruskal-Wallis chi-squared = 9.729, $df = 4$, $p\text{-value} = 0.04525^*$.

⁴⁵ Kruskal-Wallis chi-squared = 13.145, $df = 5$, $p\text{-value} = 0.02206^*$.

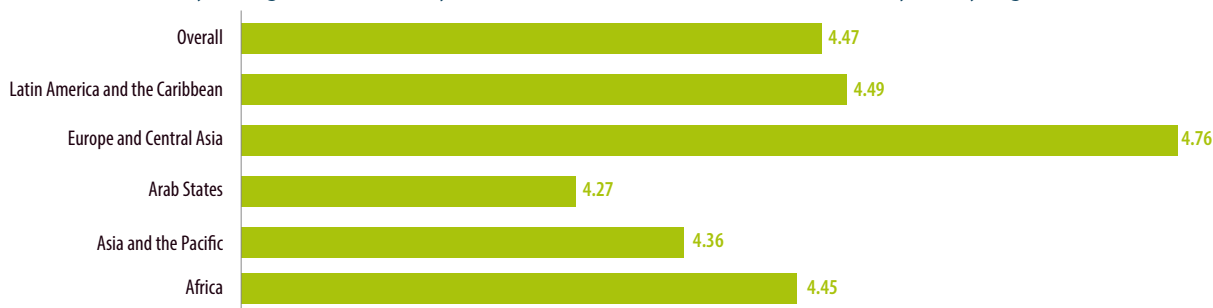
innovations the highest, while the Arab States and Asia and the Pacific rated it the lowest. Among different institutions, respondents from academia, multilateral organizations, and NGOs rated the SGP’s innovativeness the highest, and the private sector rated it the lowest.

In terms of ratings coming from respondents with different roles in the SGP, the national coordinators provided much higher ratings than the other groups (i.e., GEF focal points, SGP NSC members, UNDP Country Office staff, UNDP senior managers). Based on the 2015 evaluation and as seen in this current evaluation, SGP has proven to be an incubator of innovation; however, its ability to incentivize and foster innovations is less than optimal. This ties in with the finding that there is a weak linkage between

the SGP and the UNDP Country Programmes (section 3.3), which should be the first avenue for fostering innovations through broader adoption (i.e., mainstreaming, replication, up-scaling, sustaining, and market change).

The SGP’s limited ability to incentivize innovation could also be attributed to the lack of consideration given to the various projects’ exit strategies and to its inability to apply a business-like model to fostering sustainability. In the 2015 evaluation, it was noted that some SGP projects, though innovative, were quick to disappear because of a lack of sustainability mechanisms.⁴⁶ This evaluation also saw the same experience across the eight case studies (section 3.4 and box 5).

FIGURE 13. Survey rating on SGP’s ability to incentivize and foster innovation, analyzed by region



Source: Evaluation global survey.

Note: $n = 925$ respondents, each survey respondent was allowed to give only one response. The x-axis shows the rating scale of 1 (no ability to incentivize and foster innovations)—6 (high ability to incentivize and foster innovations). The bars show the average of ratings from each category (y-axis).

⁴⁶ “According to perceptions from SGP stakeholders interviewed during the country visits—which were validated by field observations during the project site visits—it is difficult to sustain the outcomes of SGP projects, due to the low capacity of project participants and the limited time duration of the grants ...and for projects whose sustainability of outcomes has been rated as high risk, the physical inputs of the projects often cannot be found or have visibly deteriorated—in some cases, even before project completion.”

FIGURE 14. Survey ratings on SGP’s ability to incentivize and foster innovation, analyzed by institution

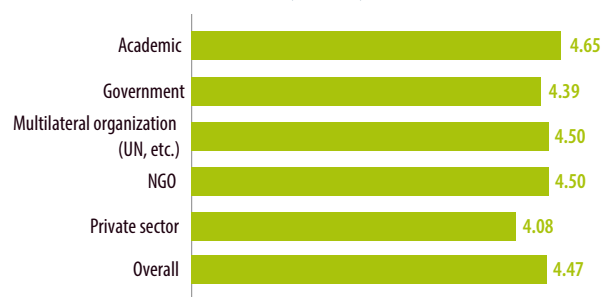
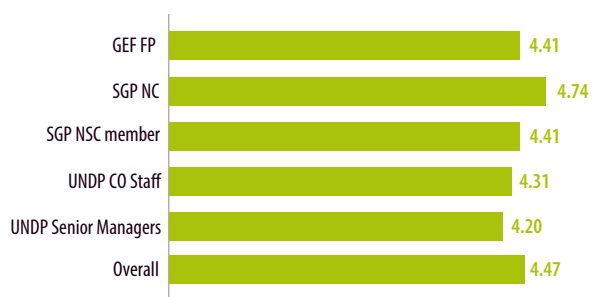


FIGURE 15. Survey ratings on SGP’s ability to incentivize and foster innovation, analyzed by stakeholder roles



Source: Evaluation global survey.

Note: $n = 925$ respondents, each survey respondent was allowed to give only one response. The rating scale of 1 (no ability to incentivize and foster innovations)—6 (high ability to incentivize and foster innovations). The slices of the pie chart shows the average of ratings from each category.

BOX 4. The Small Grants Programme as an innovation lab for tackling emerging social issues in Egypt

To enable the transition toward a more diversified energy mix and an increased share of renewables, the government of Egypt launched several substantive financial and regulatory energy reforms in 2014. These included a stepwise reduction in fuel subsidies and later the removal of its fuel-related energy subsidies under the International Monetary Fund–supported economic reforms package.

The removal of state fuel subsidies resulted in an upsurge of prices for all electricity consumers, including residential, commercial, and industries. Prices of petroleum products used for agriculture and transport also increased. The SGP intervened in this critical timing with community-based solutions such as LED lamps, biogas, and rooftop photovoltaic.

An example of these community-based solutions is the installation of biogas units. In rural areas, women stand in long queues to purchase butagas (liquefied petroleum gas) cylinders used for cooking. SGP projects were implemented during a period of political instability in Egypt, when there were severe shortages of butagas cylinders. The SGP projects included installing biogas units that produced sustainable clean energy and organic compost from cow manure (alternative to chemical fertilizer) that led to economic savings. The project also provided temporary job opportunities for local communities and raised awareness on the efficient use of farm resources such as cow manure and agricultural waste.

Another example was the installation of energy-saving lighting and solar photovoltaics. The project increases the community’s capacity in Qena Governorate to use solar photovoltaics on rooftops and reduces energy use in lighting and maximize the use of energy generated by installing and increasing the number of LED lamps in households. These become cost-effective measures after the government decision to gradually remove energy subsidies, increase electricity tariffs, and introduce the net metering scheme. The project generated economic savings for residents and self-dependency through renewable energy, especially in the frequent power outages that occurred during this period.

The SGP’s sensitivity to current environmental issues and its flexibility as a small grant mechanism allowed it to respond to a burgeoning social and environmental issue.

Source: Egypt country case study.

Inclusion in the SGP

The SGP has been praised by stakeholders and recognized by numerous organizations and the 2015 evaluation for its work to promote inclusion of segments of society that would not otherwise have had the opportunity to participate in environmental sustainability efforts. As noted in the OP6 project document, “The programme has pioneered numerous user-friendly modalities to work with poor and marginalized groups including alternative proposal formats such as participatory video, Almanario,⁴⁷ photo stories, and community theatre, and allowances are made for concept and project submission in local and vernacular languages so long as these concepts and proposals adhere to the basic project elements. GEF SGP also allows for flexible disbursement terms to cope with indigenous peoples’ culture, customs, and seasonal movements” (UNDP 2016, 11).

In this section we re-examine the SGP’s efforts during the evaluation period to promote the integration of gender issues, the participation of indigenous peoples, and the inclusion of people living with disability in its projects.

Gender equality

There has been a trend toward improvement in the inclusion of gender-sensitive standards but the effectiveness of measures implemented is still not at its fullest potential. Building on what has been recognized as a high level of performance with regard to gender in previous evaluations, the SGP

set out some objectives for the sixth operational phase, that were intended to create more support for gender mainstreaming as well as added support for women-led projects.

Overall, the survey shows a general agreement that the SGP’s efforts to integrate gender equality and women’s empowerment contribute to global environmental benefits overall. There is a perceived difference in how the SGP at the country level and UNDP Country Offices each approach and implement gender-related activities. There were significant differences among SGP actors’ responses to the survey question related to gender (table 13). Stakeholders who responded to the survey generally felt that there is sufficient knowledge and understanding of gender by the national coordinators and the NSC. There is also indication that the NSC has effectively supported the promotion of gender equality and women’s empowerment in small grant programme implementation (an increase from the 2015 survey from 4.84 points on a scale of 1 to 6 for the national coordinator and 4.85 for the NSC, to 5.00 and 5.02 respectively in the current survey). However, where respondents agree that the requirements for integrating gender equality in SGP projects are clear and well represented, the effectiveness of such requirements in contributing to gender equality and women’s empowerment receives the lowest ratings (4.70 and 4.72, respectively, an increase from the 2015 survey ratings of 4.44 and 4.37 points). Interestingly, the lowest rating from the current survey came from the UNDP Country Office staff and senior management.⁴⁸

⁴⁷ The Almanario is a project planning and a budgeting tool that allows community-based organizations with low literacy skills to develop their own project proposals to apply to the SGP. The Almanario methodology was designed to help community-based organizations have direct access and participation in development projects without the intervention of external organizations.

⁴⁸ SGP NSC member - UNDP CO Staff p-value = 0.007236048*.
SGP NC - UNDP Senior Managers p-value = 0.028487145*.
SGP NSC member - UNDP Senior Managers p-value = 0.022412748*.
Question 25: SGP NC - UNDP CO Staff p-value = 0.04477894*.

TABLE 13. Survey ratings related to gender by various SGP stakeholders

Role in SGP	Does the SGP national coordinator have an understanding of gender issues and women's empowerment? ^a	Does the SGP national steering committee have an understanding of gender and promoting women's empowerment? ^b	Has the SGP national steering committee effectively supported the promotion of gender equality and women's empowerment? ^c	To what extent does the grant selection process include considerations of gender equality and women's empowerment? ^d	How effective have the grants under the SGP Country Programme been at promoting gender equality and women's empowerment? ^e	Overall, has the SGP Country Programme contributed to promoting gender equality and women's empowerment in the country? ^f	Do SGP efforts toward gender issues and women's empowerment enhance the ability to meet environmental objectives?
Overall	5.00	5.02	5.01	4.96	4.70	4.72	4.70
GEF focal points	4.85	4.92	4.95	4.78	4.57	4.58	NA
SGP NCs	NA	5.15	5.21	5.23	4.94	4.91	NA
SGP NSC members	5.07	NA	NA	5.00	4.73	4.76	NA
UNDP CO staff	4.80	4.71	4.78	4.80	4.46	4.63	NA
UNDP senior managers	4.40	4.27	4.40	4.60	4.47	4.13	NA
Others	4.92	4.83	4.76	4.70	4.51	4.48	NA

Source: Evaluation global survey.

Note: Data are for average responses on a scale of 1 (not at all) to 6 (to a great extent). To reduce possible positive bias from self-assessment, the question about the national coordinator does not include responses from national coordinators and the questions about the national steering committee do not include national steering committee responses. NA = not applicable. CO = country office; NC = national coordinator; NSC = national steering committee.

- a. Question 21: Kruskal-Wallis chi-squared = 11.408, df = 4, p-value = 0.02234*.
- b. Question 22: Kruskal-Wallis chi-squared = 24.606, df = 5, p-value = 0.000166*.
- c. Question 23: Kruskal-Wallis chi-squared = 16.584, df = 5, p-value = 0.005359*.
- d. Question 24: Bartlett's K-squared = 16.878, df = 5, p-value = 0.004738*.
- e. Question 25: Kruskal-Wallis chi-squared = 13.059, df = 5, p-value = 0.02283*.
- f. Question 26: Kruskal-Wallis chi-squared = 9.6905, df = 4, p-value = 0.04598*.

Our analysis showed that 20 out of 21 GCP CPSs sampled had gender-disaggregated indicators. Gender indicators were targeted in a variety of ways in the CPS, some better than others. For example, in The Gambia, Honduras, the Kyrgyz Republic, and Seychelles, there was an emphasis on identifying women-led projects. Box 5 illustrates some successful examples of gender related SGP projects in the countries.

In the case studies a sample of 95 individual grants were analyzed in terms of their coherence with the overall SGP, GEF, and UNDP gender standards and policies (table 14). In this sample, only 30 percent of projects were said to fully integrate gender consideration throughout the project cycle and to bring about noticeable advances in gender equality. As noted in the Pacific multicountry case study, "SGP Samoa Sub Regional Programme (SSRP) continues to

encourage and facilitate social inclusion to empower those marginalized by building capacity and empowering them to participate in the community. As evident in the selected country projects all CSO initiatives incorporated women, youth, people with special needs and livelihoods generation into its project design and implementation through the following; (1) all SGP projects were reviewed from a gender perspective utilizing a checklist prepared

by UN Women; (2) a gender specialist and youth specialist are already members of the Technical Advisory Group reviewing projects and making recommendations; (3) all NSCs have at least one gender/youth specialist assisting in making decisions and (4) the proposed target of 30 percent of SGP projects to be initiated/implemented by women and youth organizations and/or directly addressing gender issues.”

TABLE 14. Overall gender ratings of sampled projects

Rating description	Percent of projects
Gender concerns were integrated throughout the project cycle and results disproportionately benefited women and/or brought about noticeable advances in gender equality and/or women’s empowerment	30
Gender concerns were integrated throughout the project cycle and results benefited women and men equally	30
Gender concerns were integrated to some extent, and women participated/benefited to some extent, but not to the same extent as men	28
The project did not integrate gender concerns or only to a limited extent, and did not bring about noticeable benefits for women, but could have done more, given the nature of the project (missed opportunity)	3
The project design did not include any reference to gender concerns and generally the project was not expected to contribute noticeably to gender equality	5
Unable to assess this dimension	2
Total %	100

Source: Evaluation country case studies.

Note: *n* = 95 projects.

Among the UCPs, 10 out of 12 completed UCPs explicitly reported achieved benefits of gender equality and women’s empowerment in the terminal evaluations. SGP projects include women in project implementation to harness their potential to contribute to improving sustainable management in the protected areas and in the production landscapes. It was also reported by the Fifth Operational Phase of the GEF Small Grants Programme in Ecuador (GEF ID 4375) that all project frameworks specified activities to ensure participation of women in both benefit sharing and decision making, which is a critical contribution made by the SGP in

rural communities in Ecuador. In the Philippines, 60 percent of the grantees for onsite projects had women project coordinators or managers or were led by women’s groups during OP5 (GEF ID 4338).

During OP5, the NSC in Pakistan had a designated gender focal person who was responsible for appraising projects with a gender lens. The energy-efficient stove introduced by the SGP project was reported as the best and most direct example of intervention with tangible benefits for women. Women reportedly gained benefits from general improvement in their health and

less physical exertion because cooking was easier. In addition, the SGP in Pakistan has identified and nurtured many small women-led CBOs that were deemed too risky by other donors but were offered their first breakthrough by the SGP.

All UCPs approved in GEF-7 include gender-disaggregated indicators in the form of the number of direct female beneficiaries, in line with the requirement of the GEF Policy on Gender Equality.

BOX 5. Gender-related results in the SGP

Women are caretakers of knowledge (Brazil)

The “Medicinal oils in the Cerrado” project implemented by the Pacari Association in Brazil is headed by women in the Quilombola communities. About 90 percent of the association members are women, many of whom are holders of traditional medicinal knowledge passed down from generation to generation. The project aims to develop value chains for the oils of Macaúba (*Acrocomia aculeata*), Pequi (*Caryocar brasiliense*), Rufão (*Peritassa sp.*), Indaiá (*Attalea sp.*) and Gueroba (*Syagrus oleracea*). By generating income from the medicinal oils, the women of the Pacari Association demonstrated the value of their area’s natural ecosystem while helping to prevent deforestation. These initiatives have increased the awareness of the local communities on the sustainable management and enhancement of biodiversity in the region.

In addition, with support from the SGP, the Association has researched traditional uses of medicinal plants in the Cerrado and documented them in a book, *Farmacopéia Popular do Cerrado* (Dias and Laureano 2010). The book’s goals are to protect the traditional knowledge about plants in the Cerrado, prevent biopiracy, and gain recognition for the practices and rights of traditional healers. The book has 300 pages and more than 500 illustrations, the *Farmacopéia Popular do Cerrado* highlighting medicinal properties. The role of women in this process is thus of fundamental importance. The SGP has contributed not only by providing technical resources for oil processing units and good production practices but also by training on gender issues and exchanging experiences among the various participating communities.

Notwithstanding the results obtained, in terms of scaled-up production, development of new production techniques, phytosanitary conditions, the quality of the presentation of these products and their entry into new markets, generating improvement in the living conditions of these groups, some challenges still persist. Among them are the fragility of community organization and the commercialization difficulties of some groups of Quilombola women, as well as problems with the inclusion of new groups because of financial restrictions that prevent the expansion of the project.

Women are early adapters (Burkina Faso)

The role of grandparents, especially grandmothers in Sub-Saharan Africa, as caregivers in a household is well documented. This role of caregiving, especially to grandchildren, stems from the economic pressure felt by a family that forces the mother or father to migrate for work, or in some cases, because children were orphaned by the HIV-AIDS pandemic.

In collaboration with the Barefoot College, South-South cooperation through project grants was funded by the SGP. The project called “Grandmothers in Solar Energy” was established, promoting the use of solar energy. The project helped families get lighting to their homes, especially benefiting the children who need to study at night. The project had health outcomes from less use of gas lamps and resulted in savings. The project also reduced greenhouse gases. It was lauded by government partners and local leaders and received the Innovation in Africa 2015 Award by UNDP’s “Innovation in Africa” Programme located in Addis Ababa (African Union Headquarters). The project evolved to have a Center-South region at Nobili, of the Regional Training Center for Grandmothers, to receive women from Benin, Burkina Faso, Côte d’Ivoire, Ghana, Mali, Niger, and Togo.

Women are innovators (Afghanistan)

The SGP funded the Zero-Carbon Food Carts for Underprivileged Women project in South of Kabul Dashti Barchi Village in Afghanistan. The project sponsored 35 Zero-Carbon food carts that are all operated by women vendors. The carts have solar panels to keep the food warm. Before, women food vendors cooked the food in their homes and paid men to carry the food carts to market for selling. In addition, modifications have lightened the weight of the carts making them easier for women sellers to move.

As a result, the income of direct beneficiaries increased, and CO₂ emissions are reduced. The programme has been effective in providing a model that policy makers and decision makers can scale up or replicate.

Source: Country case studies (Egypt, Burkina Faso, Argentina, Mexico, and Samoa); SGP Innovation Library (Seychelles).

Social inclusion, indigenous peoples, and persons with disabilities

Social inclusion has been recognized by many evaluation participants as both a key factor of success and a part of the SGP's innovativeness. This encompasses the inclusion of community groups and peoples traditionally marginalized from the mainstream of development and environment cooperation, and it entails a specific effort to reach outwards.

The survey question related to social inclusion and poverty reduction yielded interesting results across various actors in the SGP (table 15), where participants saw social inclusion and poverty reduction as well integrated into the SGP project cycle, in an increase from the previous evaluation (from 2015's 4.82 to 4.94 points). This

was also reflected in many interviews where CPMT members and other SGP partners saw inclusion, gender considerations, and the participation of indigenous peoples in a highly favorable light. The case studies show that about 57 percent of projects sampled explicitly intended to target or benefit the poor, marginalized, vulnerable groups, indigenous peoples, and persons with disabilities (table 16). However, as with the gender aspects, the effectiveness and the contribution of SGP grants in addressing social inclusion and poverty reduction scored the lowest in the survey (4.69 and 4.61 respectively) though the new score was a slight increase from the 2015 survey. The low ratings may mean that the grantees have good intentions as regards inclusion, but that the SGP is not necessarily equipped, or endowed, to generate significant change across its portfolio.

TABLE 15. Survey ratings related to social reduction of poverty alleviation, addressing inequality, social inclusion, indigenous peoples, and persons with disabilities by various SGP stakeholders

Role in SGP	Question 28. Does the SGP national coordinator have an understanding of issues such as poverty alleviation, addressing inequality, social inclusion, indigenous peoples, and persons with disabilities? ^a	Question 29. Does the SGP national steering committee have an understanding of issues such as poverty alleviation, addressing inequality, social inclusion, indigenous peoples, and persons with disabilities? ^b	Question 30. Has the SGP national steering committee effectively supported issues such as poverty alleviation, addressing inequality, social inclusion, indigenous peoples, and persons with disabilities?	Question 31. To what extent does the grant selection process address issues such as poverty alleviation, addressing inequality, social inclusion, indigenous peoples, and persons with disabilities? ^c	Question 32. How effective have the grants under the SGP country programme been at addressing issues such as poverty alleviation, addressing inequality, social inclusion, indigenous peoples, and persons with disabilities? ^d	Question 33. Overall, has the SGP Country Programme contributed to the reduction of poverty alleviation, addressing inequality, social inclusion, indigenous peoples, and persons with disabilities? ^e	Question 34. Do SGP efforts towards addressing issues such as poverty alleviation, addressing inequality, social inclusion, indigenous peoples, and persons with disabilities enhance the ability to meet environmental objectives? ^f
Overall	5.16	5.15	5.03	4.94	4.69	4.61	4.71
GEF focal points	4.97	4.98	NA	4.77	4.49	4.32	4.52
SGP NCs	NA	5.31	NA	5.22	4.94	4.97	4.98
SGP NSC members	5.25	NA	NA	4.97	4.71	4.61	4.71
UNDP CO staff	5.02	4.97	NA	4.89	4.59	4.56	4.63
UNDP senior managers	4.67	4.60	NA	4.40	4.47	4.40	4.47
Others	5.04	4.92	NA	4.66	4.48	4.44	4.61

Source: Evaluation global survey.

Note: $n = 925$ respondents. CO = Country Office; NC = national coordinator; NSC = national steering committee; NA = Not Applicable.

a. Kruskal-Wallis chi-squared = 13.678, $df = 4$, p -value = 0.008398*.

b. Kruskal-Wallis chi-squared = 12.207, $df = 4$, p -value = 0.01587*.

c. Kruskal-Wallis chi-squared = 21.126, $df = 5$, p -value = 0.0007669*.

d. Kruskal-Wallis chi-squared = 10.678, $df = 4$, p -value = 0.03043*.

e. Kruskal-Wallis chi-squared = 20.848, $df = 5$, p -value = 0.0008652.

f. Kruskal-Wallis chi-squared = 12.651, $df = 5$, p -value = 0.02688*.

TABLE 16. Overall ratings of sample projects for poverty alleviation, addressing inequality, social inclusion, indigenous peoples, and persons with disabilities

Rating description	Percent of projects
The project explicitly intended to target/benefit poor/marginalized /vulnerable groups/ indigenous peoples, and persons with disabilities and contribute to an improvement in their livelihoods	57
The project intended to contribute to improve livelihoods of the local population, but was not specifically targeted poor/ marginalized/ vulnerable groups/ indigenous peoples, and persons with disabilities	29
The project intended to contribute to improve livelihoods in some way, but not significantly	7
The project design did not include objectives related to improved livelihoods	5
Unable to assess this dimension	2
Total %	100

Source: Evaluation country case studies.

Note: $n = 95$ projects.

Table 17 presents the data tracked by the SGP for indicators related to social inclusion. The number of projects completed with indigenous peoples’ participation has gradually increased (from 192 in 2014 to 289 in 2019), and now the SGP reports that 20 percent of its portfolio is comprised of projects that include indigenous peoples. As noted in interviews with CPMT members, inclusion of indigenous peoples and other potentially marginalized groups takes time because their level of capacity for proposal development, nontraditional organizational models, language, and remoteness can act as barriers. Many interviewees have noted the need to extend toward innovative ways of communicating with indigenous peoples to lift these barriers, including the use of videos, art, and culture. It was also noted in an SGP document (UNDP 2017a) that there is a strong link between conservation and indigenous peoples’ priorities, and therefore the SGP has been able to leverage benefits for both conservation and inclusion by focusing on indigenous and community conserved areas.

Over 40 percent of the SGP projects involve youth. This is also the case in UCPs, where 5 out of 12 completed UCPs reported promoting youth participation in the SGP projects. UCPs in Ecuador during OP5 (GEF ID 4375) and OP6 (GEF ID 9460) have purposefully engaged youth. The creation

of scholarship funds resulted in a recognized and appreciated tool within the communities to incentivize youth participation in bio corridor management.

Youth participation is also considered in the project design by the ongoing UCPs. As reported by the Sixth Operational Phase of the GEF Small Grants Programme in Sri Lanka (GEF ID 9093), the project will have the task of providing sustainable livelihood opportunities within the villages to prevent the youth from leaving for wage labor in cities. Youth will be invited to participate in the landscape planning and management processes and to submit project proposals for specific initiatives.

The inclusion of persons with disabilities, still in its early stages, is progressing well. This is a new effort on the part of the SGP (this segment of the population was not included in previous operational phases), and therefore the SGP needs to develop processes and partnerships with an entirely different set of civil society groups. As seen in table 17, the number of organizations for persons with disability participating in SGP seems to have been tracked for the first time in 2019–20, and it was reported as follows in the Annual Monitoring Report: “SGP’s inherent flexibility to test innovation has supported efforts to mainstream and engage PwD groups enabling them

to actively participate in global environmental and livelihood efforts. During the reporting period, 47 disabled persons organizations participated in SGP projects and in relevant national environment and sustainable development strategy development.

An ongoing innovation programme with a focus on PwD engagement in global environmental solutions is currently under implementation in eight of the SGP countries with results available by next cycle” (UNDP 2020a, 17).

TABLE 17. Summary of trends from Annual Monitoring Reports, SGP Report Card

Social inclusion	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	Aggregate	Measure used
Percentage of projects led by women	29%	29%	29%	34%	35%	31%	31%	Average
Percentage of projects completed that are gender responsive	59%	81%	93%	93%	93%	83%	84%	Average
Number of projects completed with indigenous people	192	140	141	223	289	245	985	Total
Percentage of projects with youth participation	35%	69%	38%	45%	48%	44%	47%	Average
Number of organizations representing PwD participating in SGP projects	-	-	-	-	-	47	47	Total

Source: CPMT, SGP Report Card (2014–19), and SGP 2019–20 Annual Monitoring Report.

Note: PwD = people with disabilities.

3.3 Efficiency

In this section the evaluation focuses on aspects related to the efficiency of the SGP at different levels. At the local level, this has required looking at the ways in which the SGP is organized nationally in both UCPs and the countries participating in the global country programme. At the global, aggregate level, the evaluation considered how the overall governance structure of the SGP has facilitated or affected the achievement of results, including the different operational modalities, governance arrangements, and the architecture of linkages between the SGP, UNDP, and the GEF. The key evaluation questions were:

- To what extent is the current governance structure ensuring the oversight and delivery of the SGP’s mandate? What are the key areas for improvement, if any?

- To what extent is the operational and organizational structure providing an efficient and effective support mechanism to ensure the delivery of the SGP’s objective? What are the key areas for improvement, if any?

Governance and efficiency

There have been no major changes or evolutions in the overall governance structure of the SGP since the last joint evaluation. The terms of reference of the SGP steering committee, and its composition, have remained stable, as have the roles of UNDP and the GEF Council and Secretariat. Over the evaluation period (2014–20), the steering committee met eight times, and discussed mostly management issues, including a long-standing debate on grant and management costs. The CPMT continues to exercise supervision of global country programme and there is still one staff person in charge of the upgraded country programmes.

At the global level, SGP governance is not delivering its full potential due to miscommunications and ambiguous responsibilities between the SGP steering committee, GEF Secretariat, and CPMT. Examples of such issues include the lack of consensus on the Vision of SGP (section 3.1) or the grant vs non grant debate (section 3.3). Among CPMT and GEF Secretariat stakeholders, as noted during interviews, there appeared to be a debate between two different perceptions of the SGP: one in which the SGP is a UNDP programme financed by the GEF among other donors, and one in which the SGP is (exclusively) a GEF corporate programme implemented by UNDP with cofinancing from other donors. The SGP should be viewed as an asset for the broad GEF Partnership that would benefit from new and expanded implementation modalities, including more thorough mainstreaming within UNDP. The evaluation notes that regardless of the programme status of a country, the linkages and coordination between the SGP and the UNDP's other programming needs to be reviewed and may require reformulation, so as to better situate the SGP within the scope of UNDP country programming. The SGP provides a useful model for small grant making that could provide valuable lessons for other areas of UNDP work.

There is a high level of satisfaction among national SGP stakeholders of the support and guidance received by the CPMT. As seen in the global survey, and confirmed in interviews and case studies, countries feel there is added value of the CPMT guidance document and technical guidelines. In the global survey, the guidance of CPMT and the UCP programme coordinator is listed as the fourth most important factor contributing to SGP success (289 respondents), and the decisions of the GEF Council and Secretariat are the sixth most important factor (out of 8).

At the national level, the governance structure is also adequate for the current level of operations of the SGP. There appears to be a good level of satisfaction

among national stakeholders regarding the SGP's governance mechanisms at the local level (NSCs), as evidenced by the high number of respondents who attribute the success of the SGP to the NSC and the national coordinator (figure 9).

The majority of respondents to the question on the relationship of the SGP and UNDP described in figure 16 perceived that "SGP is considered an important part of the UNDP Country Programme's environment portfolio." Upon further analysis, the evaluation found that this response varied according to the respondent's role in the SGP.⁴⁹ Most GEF focal points and SGP national coordinators perceive the SGP as "implemented by UNDP but is a stand-alone programme with little linkage to other UNDP projects or programmes." Although the SGP is seen as an important programme of UNDP, it is still viewed as isolated as a stand-alone programme and not mainstreamed in the UNDP Country Programme. It would be timely to explore further means to mainstream SGP within UNDP.

The relationship between the SGP and UNDP at the country level takes different forms. In the case of Kenya, all SGP funds have been coming from the country's STAR allocation since OP5, and there has been much more interaction between the SGP and the government, particularly with the Ministry of Environment and the GEF operational focal point. During OP5, there also has been greater interaction between the SGP and the UNDP Country Office. As reported in the terminal evaluation of the Fifth Operational Phase of the GEF Small Grants Programme in Kenya (GEF ID 4362), the SGP now attends all monthly UNDP Energy and Environment meetings and is invited to UNDP annual retreats.

Conversely, the terminal evaluations of the Fifth Operational Phase of the GEF Small Grants Programmes in Mexico (GEF ID 4353) and in Costa Rica (GEF ID 4382) reported that most of the UNDP activities take place at high political and institutional levels, which implies a large gap in relation to the

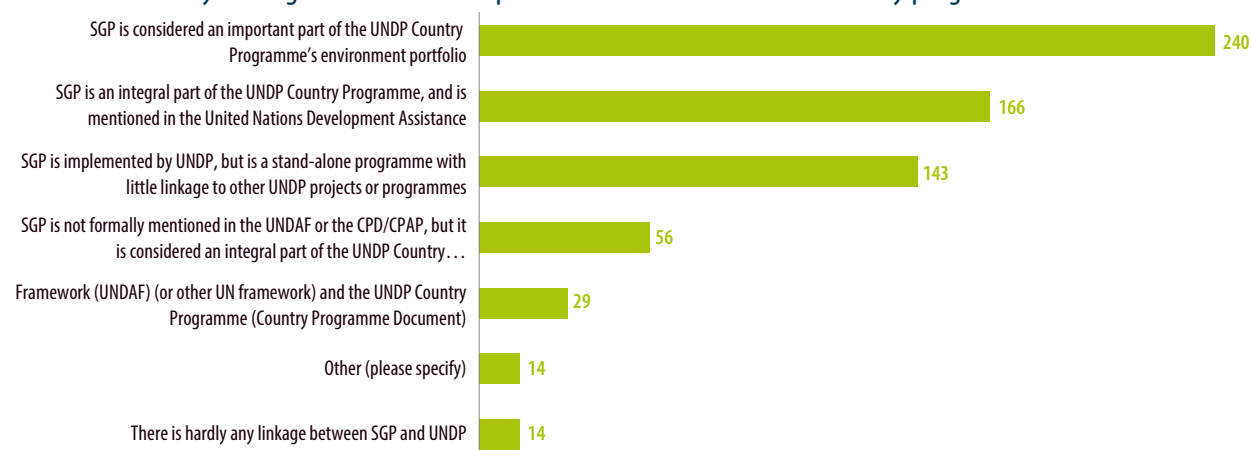
⁴⁹ About 36 percent of the 662 individuals who responded. Chi2 test: x-squared = 100.43, df = 30, p-value = 1.588e-09*.

community-based focus and activities of the SGP. The UNDP projects often focus on stakeholders that are not CBOs. So, even when these UNDP projects are helpful in bridging the gap, there is always a risk of misunderstandings and divergence of views and priorities.

This finding was also corroborated in interviews with members of the SGP’s CMPT, who pointed out

the challenges experienced by Country Offices in managing and providing oversight for SGP country programmes and noted that a process is currently under way to strengthen the linkages between the SGP as a grant-making mechanism and the overall UNDP programming framework. The results of this internal review were not available to the evaluation at the time of writing.

FIGURE 16. Survey scoring on the relationship between SGP and the UNDP country programme



Source: Evaluation global survey.

Note: $n = 662$ respondents, each survey respondent was allowed to give only one response. The x-axis shows the percentage of respondents.

The grant versus non-grant debate

The classification of SGP expenditures should be based on the commonly accepted GEF definition of management costs, rather than opposing grant and non-grant elements. The non-grant cost for the SGP is defined by the GEF Secretariat as “programme activities, including capacity development and workshops, knowledge management and communication, monitoring and evaluation, technical assistance as well as operational costs and agency fees” (GEF 2020, 19). This appellation is confusing and may lead to confusion among donors,

because it refers to the general definition of grant and non-grant instruments in the GEF, where the latter refers to a type of financial instrument such as loans, guarantees, or equity.

The method of assessment of SGP management cost by the GEF Secretariat is not the same method that is used across the rest of the GEF portfolio, making comparison tricky. GEF projects usually include “capacity development and workshops, knowledge management and communication, technical assistance” as part of full-size projects and medium-size projects supported by GEF

Trust Fund grants. GEF programmatic approaches also consider such costs to be part of the programme's overall cohesiveness and necessary to internal coherence. The classification of SGP expenditures into two categories has created an artificial hierarchy of expenditures and activities that can be misleading, in which non-grant elements are perceived as less legitimate. All expenditures—outside of the management cost and the fees—contribute to generating global environmental benefits and SGP impact.

In 2007, the GEF IEO undertook, as part of its evaluation of the SGP, an analysis of the "management costs" of the SGP, within the framework of determining the overall efficiency of the programme. This evaluation included an analysis of comparable grant-making mechanisms and a careful examination of expenditures and expenditure categories. In its Technical Paper of the Ongoing GEF Small Grants Programme evaluation on the SGP management cost, the evaluation team noted that a significant portion of the costs classified as "management" by the Secretariat was spent on activities that were enabling the generation of global environmental benefits, and recommended that those costs not be considered part of the management costs. "Preliminary analysis shows that the management costs of the SGP have been about 28 percent of the total programme expenditure. This includes grants made for projects that primarily address programme management issues in recipient countries but excludes the project fee paid to UNDP by the GEF." It concluded that the management cost should be "based on services provided" and that these services may include M&E, capacity building of the grantee organizations, and generation of co-funding (GEF IEO 2007).

Further analysis of this topic was conducted as part of the 2015 joint evaluation. A technical report noted that the SGP funded both programme management activities (understood as administration and oversight) and programme support interventions (including M&E, capacity development, knowledge

management, and policy dialogues toward broader adoption). It was these programme support costs that have been referred to as "non-grant" costs (GEF IEO and UNDP IEO 2015), because many of these activities are not delivered by CSOs in a given country.

In 2019, the GEF Secretariat conducted its own analysis of the expenditures and provided an alternate means of categorizing SGP costs, the "Deep Dive on the Small Grants Programme," as part of the Annual Monitoring Report (GEF 2019). The "Deep Dive" once again separated the SGP expenditures into two categories: "Grant resources are defined as the total funds committed and/or disbursed directly to local civil society organizations (CSO) and community-based organizations (CBO). Management costs include salaries of the SGP staff at both country and global levels to provide administrative and operational support to the Programme, including the provision of technical support to grantees, training, knowledge management and communication, workshops and monitoring and evaluation of projects on the ground," as well as the fees for both UNDP and UNOPS. Using this categorization, it found that the so-defined "management" expenditures were more than 31 percent of the total SGP envelope, and the GEF Secretariat asked the SGP CPMT to maximize the ratio of grants to non-grants. The discussion is still ongoing.

Tables 18A and 18B illustrate the costs of the SGP in the different categories. The evaluation finds that the activities grouped under the term "programmatic costs" are in effect activities in which pooled resources serve the entire SGP constituency and contribute to creating programmatic cohesion, internal coherence, and leveraging results at local levels. They also respond to programmatic direction given by the GEF Council in terms of expansion, sustainability, capacity development, inclusion, and innovation. As such they may be considered grant activities at the same level as those that are administered by CSOs.

TABLE 18. Breakdown of SGP resources

A. Core and STAR (million \$)

OP phase	Grant received by CSO	Non-grant and non-agency fees		Agency fees ^a	Total cost
		Programmatic costs	Management costs		
		(Knowledge management, M&E, technical assistance)	(Salaries of programme management staff; office rents, utilities, and supplies; security costs)		
OP6	107.36	36.28	17.80	16.53	177.96
OP5	190.05	32.71	18.05	24.66	265.47
OP4	120.68	20.83	17.53	16.29	175.33

a. Four percent UNDP fees plus six percent UNOPS fees.

B. Only core (million \$)

OP phase	Grant received by CSO	Non-grant and non-agency fees		Agency fees ^a	Total cost
		Programmatic cost	Management cost		
OP6	76.99	36.01	14.00	13.00	140.00
OP5	89.68	23.32	14.00	13.00	140.00
OP4	61.88	26.90	11.00	10.22	110.00

a. Four percent UNDP fees plus six percent UNOPS fees.

Source: CPMT.

Table 18 shows that management costs and fees have remained constant at approximately 10 percent each over the past three operational phases. Programmatic costs have remained at 25 percent of the total envelope for the past three operational phases in the global programme (using core resources only) but increased significantly between OP5 and OP6 with the inclusion of STAR resources and upgraded countries.

This evaluation examined new available information and confirms that the findings of the 2008 and 2015 evaluations remain valid. The evaluation also notes that the requirements placed on the SGP by the GEF Council—be they in terms of expansion to new countries, refinement

of M&E systems, creation of mechanisms for policy upscaling and broader adoption, or adoption of new GEF-like programmatic approaches, have increased, while the funding envelope has not followed similar trends (GEF 2011).

Operational efficiency

As noted earlier, this ongoing debate and divergence of perspectives between the GEF Secretariat and UNDP has had little bearing on the overall effectiveness and efficiency of the SGP at the local level. Based on the sampled projects in the eight countries that were studied for the evaluation, we find that the significant majority of projects are rated within the satisfactory range (table 19).

TABLE 19. Overall efficiency ratings of sample projects

Rating	Percent
Satisfactory range (HS, MS, S)	95
Highly satisfactory	23
Moderately satisfactory	15
Satisfactory	57
Unsatisfactory range (HU, MU, U)	4
Unsatisfactory	4
Unable to assess	1
Total %	100

Source: Evaluation country case studies.

Note: $n = 95$ projects.

Notwithstanding the high efficiency ratings, several improvements could be made in reducing transaction costs. Many upgraded countries have reported difficulties in managing the project cycle; they have experienced significant delays and interruptions in programme implementation, and report difficulties in managing the requirements for planning, financial management, reporting, or M&E. Despite these project cycle management difficulties, analysis of available terminal evaluations for the upgraded country programme also showed that 100 percent of the completed UCPs ($n = 12$) were rated in the satisfactory range for efficiency. As was noted in the interviews and documented through the country case studies, the SGP comes with high transaction costs. First, at the global level, there is a need to submit multiple project identification forms for the global programme, depending on the proportion of core and STAR funds allocated and mobilized. These must also be followed by multiple project proposals. For OP6, the SGP submitted four funding requests for the global programme⁵⁰ and coordinated funding requests for at least 12 upgraded country programmes under the upgraded country modality programme.⁵¹

Project cycle analysis shows that efficiency in the approval process for the UCPs was in line with the overall GEF portfolio during GEF-5 and GEF-6. Table 20 presents a comparison of average times in months from first receipt of project concept to project approval to project start. When the upgrading process first started in GEF-5, UCPs took an average of 21 months from first receipt of concept to project start, compared to 35 months for the overall GEF portfolio. Though this is positive overall, 21 months is a long time for a programme that was intended to be implemented continuously using a rolling modality. During GEF-6, the average elapsed time from first receipt of concept to project approval has increased slightly to 23 months for UCPs, which was comparable with the overall GEF portfolio (26 months). At the time of writing, the CPMT reported that lessons learned from previous cycles led them, in OP7, to advance the project design and development phase to avoid interruptions. For the overall programme, the CPMT and this evaluation's analysis report that project cycle elapsed time from project concept to project start was an average of 13 to 13.5 months for OP5 and 14.3 months for OP6.⁵²

⁵⁰ Projects GEF ID 6931 and 9209.

⁵¹ In GEF-6, there were 12 upgraded country programmes approved, of which one was a medium-size project. These 12 do not include any full-size projects under preparation that were not approved.

⁵² Source: CPMT, February 2021.

TABLE 20. Average time from first receipt of concept to project start

Type of projects	Average time in months			
	First receipt to Council approval	Council approval to final CEO endorsement	Project endorsement to start	First receipt to project start
GEF-5				
UCPs (n = 9)	5.6	10	4	21
All GEF (n = 379)	4	24	6	35
GEF-6				
UCPs (n = 10)	6	14	2.5	23.4
All GEF (n = 104)	4	17	4	26

Source: GEF database.

Note: Includes only full-size projects for which GEF IEO had a record of dates for first receipt of concept, council approval, CEO endorsement, and project start date.

Based on the rolling modality of SGP that enables the programme to continuously support and disburse funds to CSOs, a new operational phase of SGP begins while the previous phase disbursement is ongoing. As a result, some national small grants programmes from previous periods were still under implementation many years after. As noted in the 2019 Annual Monitoring Report (GEF 2019), the average time lapse between the CEO endorsement date and the financial closure date for the global country programme was 6.7 years in GEF-5 and 4.8 years in GEF-6, compared to more than 15 years in GEF-2. In addition, of the nine UCPs in OP5, the one in Ecuador was completed on time, six were granted a six-month no-cost extension, including Bolivia, Costa Rica, India, Kenya, Mexico, and Pakistan. The UCPs in Brazil and the Philippines were extended for 18 months.

UNDP Country Offices have continuously been supporting the administration and operation of SGP, yet programme synergies could still be improved. The main responsibilities of a UNDP Country Office toward a small grants programme are to: (1) act as secondary supervisor of the national coordinator; (2) serve as a member of the

NSC; (3) facilitate interaction with the government; (4) facilitate links with other in-country projects and programmes; (5) support resource mobilization efforts; (6) sign the Memorandum of Agreement (on behalf of UNOPS); (7) issue the appointment letters to NSC members (on behalf of SGP); (8) support recruitment of SGP staff in a country; and (9) host most country programmes (UNDP 2017a). The survey, interviews, and cases studies showed that there is more operational support being made as opposed to programmatic synergies.

The SGP has benefited from a long-term partnership with UNOPS that has remained stable for more than 25 years, even as UNDP, the GEF, and the SGP have evolved. The global survey respondents rated the efficiency of UNOPS as the SGP executing agency at 4.6 on a 1 to 6 scale, with 6 being highly satisfactory.⁵³ As executing agency, UNOPS is responsible for providing financial and administrative management of SGP funds, including project grants, coordinating the recruitment of SGP staff at global and national levels, and providing audit and legal services.

UNOPS is responsible for conducting audits of the SGP global programme and for a number of

⁵³ On a 1 to 6 scale; n = 925.

UCPs where they are the executing agency. As of 2019, UNOPS had conducted 33 country-level audits: 11 in Africa, 8 in Asia and the Pacific, 7 in Latin America and the Caribbean, 4 in Europe and Central Asia, and 3 in the Arab States, resulting in a total of 183 audit recommendations. Of the 33 country audits, 16 had an overall satisfactory rating, 15 had a partially satisfactory rating and 2 had an unsatisfactory rating. All of the audit recommendations have been implemented. In 2020, 10 country audits were planned but were postponed because of the pandemic, and two UCP audits were initiated.

The fact that most UCPs have systematically elected UNOPs as an executing agency reflects the efficiency of the executing agency arrangement. In OP5 and OP6, seven out of nine completed upgraded country programmes executed by UNOPS were rated in the satisfactory range for quality of execution in the terminal evaluations.⁵⁴ The Mexico SGP case study found that working with UNOPS as the executing agency has been key to a successful delivery of funds. UNOPS has adapted itself to the workflow of SGP-Mexico with clear standard operating procedures in place. Only four countries changed to NGO execution upon upgrading (Brazil, Indonesia, the Philippines, and India). In all four the execution NGOs were known for their credibility and experience in day-to-day management and implementation of project activities.

Monitoring and evaluation

There have been improvements in the deployment of M&E in the SGP since the last evaluation. One improvement has been the development of a new M&E strategy in 2019, coupled with the alignment of the global country programme indicators to the GEF's Core Indicators. This allows for a better tracking of results across the focal areas and of

global environmental benefits. The SGP CPMT has also updated guidelines on reporting for cross-cutting issues such as inclusion and gender. The M&E system also includes a measure of innovativeness, the "innovation meter," and annual monitoring reports have been improved and systematized in the way they report on results. Additionally, the development of harmonized country programme strategies allows for more consistent results monitoring and tracking. For the global programme, reporting is done by each individual SGP national coordinator, and data are synthesized by the CPMT. There is also now a full staff person dedicated to M&E in the CPMT.

UCP M&E requires some adjustments. M&E design for UCPs follows the process that is followed by regular full-size projects in the GEF. Even though the GEF now considers UCPs to be full-size projects, they remain umbrella programmes comprised of many individual demand-driven small grants. Unlike a regular full-size project where a project team carries out the project activities and achieves results by themselves with support from partners, the UCP does not implement actions directly to achieve its targets. It defines a set of objectives, outcomes, and indicators at the design stage and then works to achieve them through different calls for proposals to fund activities carried out by third parties (CBOs, NGOs, and others) with SGP funding. Hence, the standard M&E design is not adequate to address the disconnect between both the indicator and target and the corresponding grant project activities for the UCPs, because the grant projects included in the portfolio are not identified when the project results framework is developed. For example, UCP full-size projects are required to conduct terminal evaluations that determine whether they have achieved their global environmental benefit targets, a requirement not included in the global programme before OP5.⁵⁵

⁵⁴ The evaluation ratings for quality of execution are not available for the other two UCPs.

⁵⁵ Three independent evaluations were commissioned for the periods for the periods 1992–95, 1996–98, and 1999–2002. All three evaluations assessed progress against outputs, though these were formulated as process-oriented results (e.g., capacity building, training) rather than as expected global environmental benefit results. The 2008 joint evaluation conducted a global assessment of SGP performance, and the 2015 also analyzed performance at a high, strategic level.

Other issues of relevance to UCP M&E that were reported in OP5 are in the process of being corrected.⁵⁶ For example, in nearly half the country programmes, terminal evaluations found that there was no explicit, systematic reference basis for target selection at the design stage; project baselines were not well established; some countries reported that too many indicators or targets were included for a project that is not implemented directly; indicators in the results framework were not S.M.A.R.T. (Specific, Measurable, Achievable, Relevant and/or Timebound); or too many indicators were process oriented. Improvements in M&E design have been made, as seen in the three available terminal evaluations in SGP OP6, which is still ongoing. Still, these issues raise the question of the type of indicators that may be more appropriate to measure the success of programmes similar to the SGP, which could warrant further examination.

A review of the 21 sample CPSs against the S.M.A.R.T. criteria showed that most of the outcomes and impact indicators of the CPSs were Specific and Relevant. Out of the total, four to five projects did not meet the Measurable and Achievable criteria. Only one of the 21 projects met the Timebound criterion; the other 20 projects had no specific timeline for their planned results. Though the country programme strategies themselves are time-limited, the inclusion of time limits in the indicators provides added granularity to the monitoring system.

This situation also leads to unsatisfactory ways of assessing effectiveness in the terminal evaluation. As reported by completed UCPs in OP5, the compilation of results from individual small grants was not completed at the terminal evaluation time, because only part of the funded projects was completed. As stated in the terminal evaluation of Fifth Operational Phase of the GEF Small Grants Programme in Mexico (GEF ID 4353), it was necessary for the terminal evaluation team

to make a subjective assessment about how well the achievements fit the expectations, which was much less transparent than the preferred approach used to compare planned and achieved results. This highlights a mismatch between the SGP's rolling modality and the GEF and UNDP guidance for terminal evaluations, in both the UCP and the global programme. Although the GEF guidance provides flexibility to conduct terminal evaluations within six months of the start or completion of a full-size project, UCPs are not taking advantage of this flexibility to collect results, in line with the rolling modality of the SGP. Furthermore, the 2019 Monitoring Policy of the GEF makes no special provision for the rolling modality of the SGP.

Adaptive management was adopted by UCPs to mitigate the challenges in M&E implementation.

At the same time, the actual M&E costs of UCPs were higher than the budgeted figure. During OP5, the UCP in Ecuador (GEF ID 4375) developed strategic projects to engage regionally based NGOs for project monitoring and technical support. The national Technical Assistant Team (EQUIPATEN), an NGO called Oficina para la Investigación Social y del Desarrollo (OFIS), and four regional Technical Assistance Teams (EQUIPATE) played a critical role in monitoring and supporting the projects in the four territories. They provided services through the modality of strategic projects with an approximate cost of \$150,000 each over a three-year period. There were four EQUIPATE (one for each region) and one EQUIPATEN, amounting to a total cost of \$750,000, approximately. This was reported as an appropriate and cost-effective means of providing necessary project monitoring and other support, given the large number of small grants involved in the UCP (63 in total) and limited M&E budget (\$225,000 at design). As mentioned in the terminal evaluation, many small grants could not have been approved without their involvement and there would have been far less input into the M&E system. India adopted a similar approach during OP5. The

⁵⁶ This evidence was collected from terminal evaluations of the nine completed UCPs in OP5. Issues reported occurred in at least four of the country programmes, though not the same four countries each time.

UCP (GEF ID 4383) established seven Regional Cells to facilitate effective coordination, monitoring, and follow-up of the grant projects. The terminal evaluation reported that the actual M&E costs were 100 percent higher than the budgeted figure of \$200,000.

3.4 Sustainability

This section considers the various aspects of sustainability in the SGP. More specifically, the evaluation has sought to determine the extent to which adequate processes are in place to ensure long-term sustainability of SGP results in the global programme as well as in the UCP. The evaluation also considers the extent to which SGP outcomes and innovations are being replicated, upscaled, mainstreamed, or otherwise more broadly adopted, and under what conditions.

Long-term sustainability of SGP results

There continue to be challenges to the long-term sustainability of SGP projects. The sustainability rating estimates the extent to which a project's outcomes are durable and the project is likely to achieve its expected long-term impact. The 2015 evaluation noted several challenges to the long-term sustainability of SGP projects, highlighting the low capacity of project participants and the limited duration of the grants (GEF IEO and UNDP IEO 2015). The other key challenge noted at that time was the difficulty that many grantees face in securing long-term funding for the continuation of SGP activities. In some cases, the introduction of larger strategic grants was used to replicate and scale up previous work, but this has yet to be systematized. This finding is repeated in this evaluation because the conditions in which the programme is being delivered have not changed.

The avenues for securing long-term sustainability are closely linked to opportunities for broader adoption. Many interviewees stressed that repetition of grants, and opportunities for leveraging larger amounts of financing in a continuum, along with added support

for building core capacities of grantees, could lead to broader adoption, through replication and upscaling. This is dependent, to a large extent, on the availability of future funding. There are many examples of broader adoption in the SGP, but it is not yet happening in a systematized manner. As a result, many projects face a risk to sustainability.

In the CPS analysis, all 21 GCP countries in the sample conducted an examination at their design phase to identify potential risks that might affect results' sustainability. The analysis of sampled projects in the eight country studies shows that 33 percent of the projects face a moderate risk to sustainability, while another 16 percent face a higher risk. This finding is a little higher than the 2015 evaluation.

For the upgraded countries, terminal evaluations of the completed UCPs in OP5 reported that small grant programme activities were in varied stages of the process toward sustainability and recommended that continuity of the small grant programme is essential to taking all the initiatives to the final desired stage of sustainability (UNDP 2019).

The assumptions about civil society maturity in UCPs and its links to sustainability of impact have failed to materialize. The logic of upgrading assumes that higher levels of CSO capacity are found in more mature countries, and that this should lead to more significant and more sustainable SGP impact. By this logic, we should find higher levels of sustainability in the UCPs than in the global programme. The meta-analysis of evaluations conducted for the UCPs showed that 83 percent of the completed UCPs ($n = 12$) were rated in the likely range (moderately to highly likely) for sustainability in the terminal evaluations, compared to 67 percent of the overall GEF-5 portfolio ($n = 140$), as reported in the GEF IEO Annual Performance Report (GEF IEO 2020b). However, as seen in table 21, the analysis of the 95 projects in the country case studies shows that UCPs face more risks to the sustainability of results, confirming the earlier finding that upgrading comes with more significant operational risks.

TABLE 21. Likelihood of risks to project results

Likelihood of risk to project results	# of projects in the sampled countries (global programme)	# of projects in the sampled countries (UCPs)
Likely	-	2
Moderately likely	23	18
Moderately unlikely	22	11
Unlikely	11	5
Total	56	36

Source: Evaluation country case studies and GEF database.

Note: $n = 95$ projects.

Because the SGP is innovative and its work and partnerships are delicate, not all SGP grants can be expected to be sustainable. The SGP in many cases provides first proof-of-concept financing, promotes innovation—which by its very essence is risky—and works with partners who are new to development funding, with low levels of organizational capacity. Many evaluation interviewees and survey respondents noted that the path to sustainability requires additional work, including, where possible, upscaling, replication, and mainstreaming, all of which require additional financing and longer-term engagement. The evaluation reviewed a sample of project grant application templates from various countries. The templates do not ask or assess whether projects are purely pilot, a follow-up to a previous SGP grant, or scaling or replicating other SGP projects (or components of SGP projects). Nor does it assess the potential of the project (or individual project components) for broader adoption. Most of the templates reviewed only ask about the sustainability of results. The additional information is essential for the NSC to strategically assess and set expectations regarding the sustainability of proposed projects. It should be noted that recognizing whether a project is potentially innovative, even if it is a “one-off implementation,” should not deter receiving grants—especially if the project has the potential to generate essential results or lessons.

Broader adoption

There is an increasing trend toward broader adoption, but the main avenues for leveraging impact through the SGP require additional investment. Broader adoption in the SGP, as in the GEF, is defined as mainstreaming, replication, scaling-up, sustaining, and market change. Generally, as reported by the Annual Monitoring Report 2019–20, during 2014–19, an average of 14 percent of the projects had been scaled up or replicated. Following on this, the examination of the available information regarding upscaling, replication, and broader adoption shows that there are three different avenues currently being pursued (box 6).

The first avenue is supported by the global programme through its Policy Dialogue initiative. This pathway for upscaling requires long-term engagement on the part of CSOs and the NSC, but has shown some promise, such as, for example, in Argentina and Mexico, where the SGP teams have been gradually more involved in policy development. Because this is a longer undertaking, direct observable evidence of success in this pathway to broader adoption is harder to obtain.

The second avenue to broader adoption is through the mobilization of follow-up grant financing, either

through UNDP's general programming, through continued GEF programming, or through other donors. Examples of this mobilization abound, but there is insufficient evidence to determine whether it is the result of a systematic process or the fruit of individual SGP country programme efforts. The general perception among survey respondents is that the UNDP programming could do more to leverage SGP successes within its regular programming. There are only one or two cases (e.g., Egypt) where the results of an SGP project were then picked up by the government through a full funding proposal for the GEF or through UNDP.

The evaluation finds that the pathway to broader adoption where private sector-type business models are developed for SGP projects carries the most significant promise. The Egypt, Samoa multicountry, and Burkina Faso case studies illustrate this pathway well: In all three cases, CSOs that were successful in continuing and expanding their project activities had adopted a business model that generated sufficient revenue for the

project to sustain itself. The reason this approach is more successful is that it allows a certain level of autonomy of CSOs and project stakeholders and a degree of independence from continued donor funding. Successful business ventures tend to be replicated and upscaled more organically than donor-funded projects.

The social economy model also provides useful avenues for the SGP to promote inclusion and technical and institutional innovation while creating financially sustainable microenterprises. In one such example, in Georgia,⁵⁷ the SGP project created a greenhouse to support greenhouse gas emissions reductions from agriculture as well as adaptation, while providing paid employment for people with disabilities. In another example, in Bhutan, an SGP project recycled wastepaper to produce egg trays at the first wastepaper recycling facility in the country. The project reduced reliance on imported trays and created gainful employment opportunities for youth at a drug rehabilitation center.⁵⁸

BOX 6. Pathways to broader adoption

Pathway 1 – Policy dialogue, knowledge management

In Argentina, a “Good Practices and Knowledge Management Fair” is held every two years to enhance and strengthen the capacities of civil society organizations to understand and implement the guidelines of the conventions, participate in consultative processes, apply knowledge management to guarantee the flow of information, and monitor and evaluate environmental impacts and trends. The 2018 fair allowed the beneficiaries of SGP funds and other civil society organization actors to establish contacts and to share and showcase good practices, novel technologies, and lessons learned. Civil society uses these events to promote replication, increase the influence of the policies to be applied for more transformational changes, and promote sustainability and mobilization of additional resources for sustainable development initiatives at the community level.

Pathway 2 – Upscaling through larger projects

In Seychelles, the SGP-supported project “Plant a Forest” contributed to the rehabilitation of the La Hauteur Watershed with the aim of bringing long-term benefits to downstream communities. The project was tested through extensive trials across the production chain (e.g., seedling, nursery, irrigation) and engaged more than 20 volunteer organizations and 1,300 community members. Based on this success, the initiative was then scaled up through the GEF-6 “Ridge to Reef” Project on the island of Praslin. The original SGP grantee, Terrestrial Restoration Action Society of Seychelles, remained a key stakeholder of the GEF-6 project.

⁵⁷ GEO/SGP/OP6/Y5/CORE/PWD/2020/01

⁵⁸ Available from: <https://sgp.undp.org/innovation-library/item/1022-bhutan--waste-paper-recycling-for-youth-employment>

BOX 6. Pathways to broader adoption (cont.)

In Samoa, the integration of the landscape/seascape approach into its projects has been successfully aligned to GEF full-size projects. Examples of these SGP initiatives that were adopted up by a larger full-size project include:

(1) Strengthening Community Resilience through Integrated Sustainable Landscape Management in Uafato (WSM/SGP/OP5/Y6/CORE/LD/2017/32), which received a \$40,000 SGP grant and was completed in 2018. The overall goal of the project was strengthening community resilience through integrated sustainable land management (both soft and hard solutions) to protect village livelihoods and households' physical assets and thus the village's capacity to adapt to the effects of increasing weather variability, frequency of extreme events, and longer-term climate change.

(2) Liua le Vai o Sina Ridge to Reef Conservation Project Phase II (WSM/SGP/OP5/Y5/CORE/BD/2017/15) received a \$35,000 SGP grant and was completed in 2019. The main objective of the project was to conserve and rehabilitate the degraded biodiversity in one of the most critical landscapes of Upolu Island through establishing a sanctuary at the Falese'ela village terrestrial ecosystems.

The achievements and lessons learnt from these two SGP-funded initiatives can be seen in several GEF full-size projects, including the recently completed GEF-5 full-size project, Strengthening Multi-sectoral Management of Critical Landscapes (SMSMCL) in Samoa (2014–19) [GEF ID 4550]. It was the first community-based attempt to integrate sustainable management across production systems at landscape scale, reducing land degradation and carbon emissions while promoting restoration and conservation of ecosystems to secure biodiversity and sustain local livelihoods.

More recently, the development of the integrated project submitted under GEF-7 in 2019 with an indicative budget of \$3.5 million and cofinancing of \$20 million builds on the outputs achieved under these two SGP initiatives as well. The project is called Enhancing Integrated Sustainable Management to Safeguard Samoa's Natural Resources; its overall objective is to equip and empower local communities to safeguard Samoa's indigenous species, natural ecosystems, and food production systems from Invasive Alien Species and unsustainable land use practices. The project will provide an opportunity to demonstrate how catchments can be sustainably managed in a holistic and integrated manner across the full spectrum of stakeholders (agriculture, fisheries, and tourism), while focusing specifically on safeguarding the natural functioning of terrestrial, aquatic, and marine systems as well as food production systems.

Pathway 3 – Adopting a business model

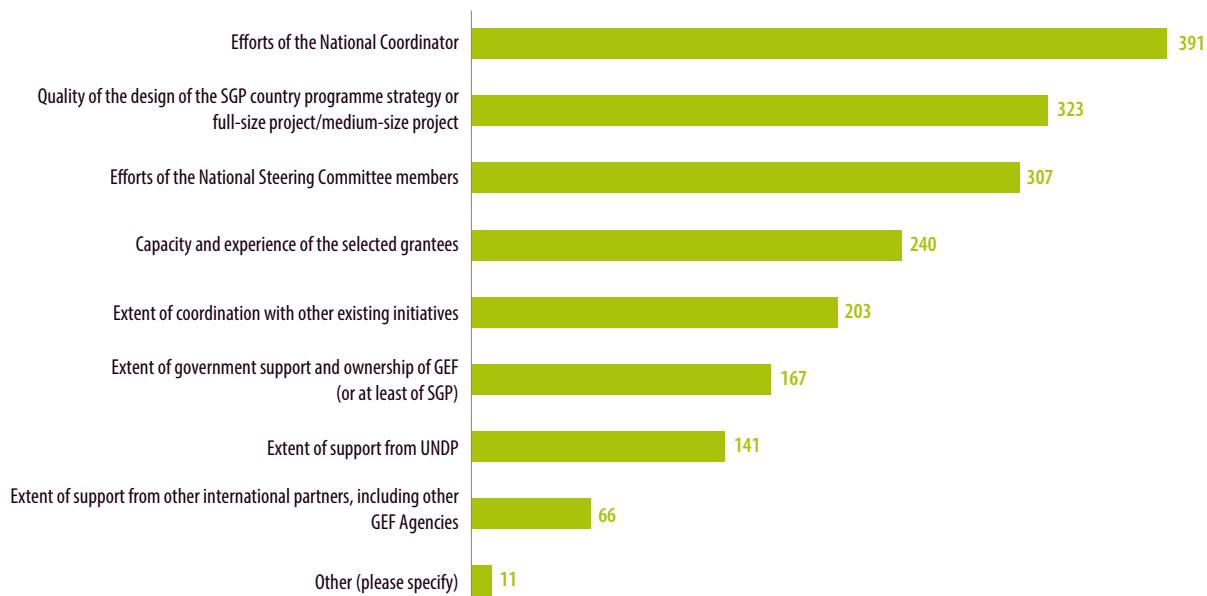
The Keep Savaii Clean Campaign initiated by the private sector–led Samoa Savaii Tourism Association continued as an annual event following the successful completion of its initial campaign funded by the SGP. In Egypt, the bicycle sharing project in Fayoum built on its success in OP5 (900 bicycles) and was replicated under OP6 (additional 500 bicycles). The nongovernmental organizations used their SGP grant as seed money to create a revolving fund and leveraged a unique partnership model with a private company, “Baddel,” and Fayoum University.

Sources: Country case studies (Egypt, Burkina Faso, Argentina, Mexico, and Samoa); SGP Innovation Library (Seychelles).

As for the factors contributing to the replication and upscaling of the SGP, survey respondents agreed that the efforts of the national coordinator and the steering committee, as well as the quality of project design, were the main contributing factors. It was pointed out in interviews and individual UCP evaluation reports that the level of ownership of the SGP is very high, and that this contributes to the overall success of the SGP, including broader adoption potential (figures 17 and 18).

Conversely, when asked, “what factors hinder broader adoption,” respondents selected (1) the capacity and experience of the grantees; (2) the level of government support and ownership of the GEF (or at least of the SGP); and (3) coordination with other existing initiatives.

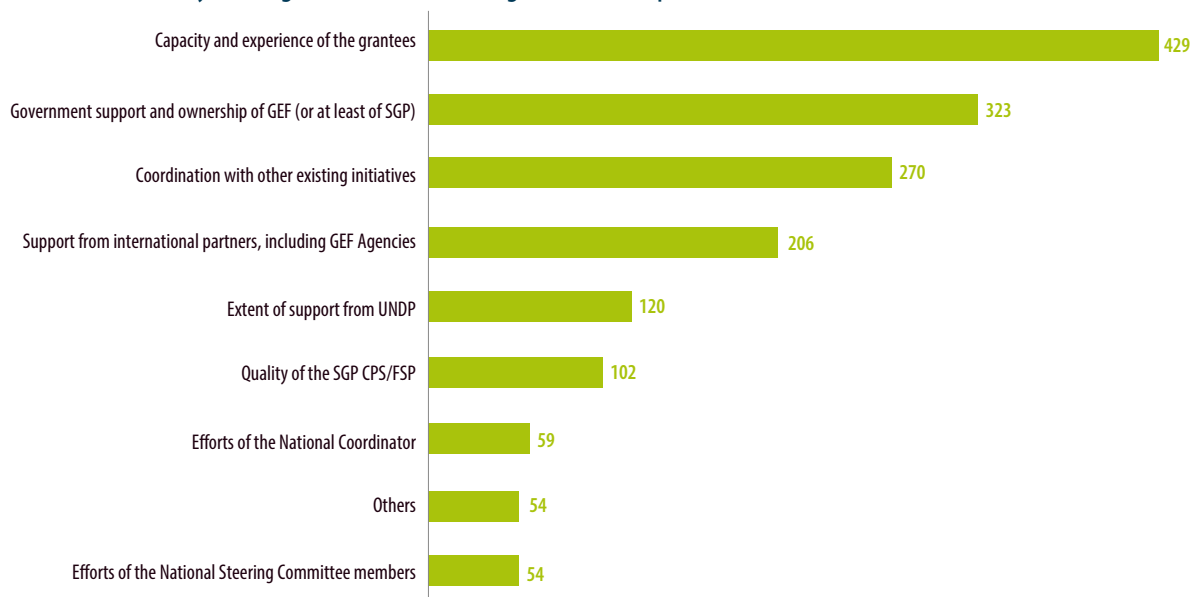
FIGURE 17. Survey scoring on factors contributing to broader adoption of SGP results



Source: Evaluation global survey.

Note: $n = 925$ respondents. The x-axis shows the number of respondents.

FIGURE 18. Survey scoring on factors hindering broader adoption of SGP results



Source: Evaluation global survey.

Note: $n = 925$ respondents. The x-axis shows the number of respondents. FSP = full-size project.

Cofinancing

From OP3 to OP5, the GEF's allocation to the SGP has increased, as did the cofinancing in actual value. Table 22 shows that by OP5, every \$1 of GEF funding is matched at \$1.09. The proportion for OP6 is much

lower because projects are still being implemented. Cofinancing commitment of 1:1 has been met in OP3, OP4, and OP5. There is uncertainty as to the likelihood of meeting cofinancing targets for OP6, given that it is slated to complete in December 2022.

TABLE 22. SGP funding and cofinancing (in million \$) for global country programme

OP phase	GEF allocation	Planned cofinancing ^a	Actual cofinancing ^b	Cofinancing per \$1 of GEF
OP6 ^c	171.12	177.97	114.48 ^e	0.67
OP5	255.26	251.27	279.33 ^e	1.09
OP4 ^d	168.86	191.50	177.13	1.05
OP3 ^d	106.89	119.00	134.82	1.26

Source: Small Grants Programme Annual Monitoring Report 2018–19, GEF Database, 2015 Joint SGP Evaluation and evaluation team calculations.

- a. The total GEF allocation and Planned cofinancing is based on the budgeted figures from project documents and includes grants, non-grant activities, and UNOPS fees published on the GEF website.
- b. As reported in the Annual Monitoring Report; Total cofinancing includes programme- and project-level cofinancing (grant and non-grant funding). Programme-level cofinancing figures are based on committed amounts; for the project level, the figures are for cofinancing raised at the level of each grant, excluding agency fees, which includes in-kind and cash contributions.
- c. OP6 projects are still being implemented.
- d. OP4 and OP3 actual cofinancing as reported in SGP 2015 Evaluation.
- e. Provided by Country Programme Management Team.

Cofinancing is low when viewed at a per-country basis. When cofinancing materialized, results were exceptional at the national level. Overall, 35 percent or 43 countries have cofinancing above the 1:1 cofinancing ratio, 26 percent or 32 countries have a 1:1 cofinancing ratio, and 31 percent or 34 countries have cofinancing below a 1:1 ratio. Analysis of the SGP database (table 23) shows that Latin America and the Caribbean performed better among other regions in attracting cofinancing, with 56 percent or 18 countries having an above 1:1 ratio. Africa and Asia and the Pacific fared lower, with more countries below a 1:1 cofinancing ratio (44 percent or 17 countries and 50 percent or 15 countries, respectively).

When the data were sorted by the countries' economic status, it showed that the middle-income country and high-income country groups fared

better in attracting larger cofinancing, with the middle-income countries (43 percent or 30 countries) and high-income countries (45 percent or 5 countries). This is the opposite of the least developed countries group, where more countries have a below 1:1 cofinancing ratio (53 percent or 20 countries). The data also showed varied cofinancing in SIDS, very low cofinancing in countries with fragile situations (56 percent or 24 countries). Global programme countries have slightly more countries below the 1:1 cofinancing ratio (38 percent or 41 countries) than at the 1:1 ratio (28 percent or 30 countries). In addition, 5 of 15 UCP countries have a cofinancing ratio lower than 1:1.

TABLE 23. Percent of countries by cofinancing ratio of GEF funds versus financing versus (cash and in kind) for OP5 and OP6

	Cofinancing ratio ^a				Totals (%)	Totals (Actual value)
	Below 1:1 (%)	1:1 (%)	Above 1:1 (%)	Totals (%)		
By number of countries by region						
Africa	44	26	31	100	39	
Arab States	30	40	30	100	10	
Asia and the Pacific	50	27	23	100	30	
Europe and Central Asia	25	50	25	100	12	
Latin America and the Caribbean	31	13	56	100	32	
By country's economic status						
LDC	53	26	21	100	38	
MIC	32	25	43	100	69	
HIC	18	36	45	100	11	
By other classification						
SIDS	39	18	42	100	33	
Fragile	56	19	26	100	43	
LDC, SIDS & Fragile	45	24	31	100	78	
MIC & HIC	27	30	43	100	44	
By country's upgrading						
GCP	38	28	34	100	108	
Upgraded	47	13	40	100	15	

Source: Data from CPMT and evaluation team calculations.

Note: Data include global programme and upgraded countries. GCP = global country programme; HIC = high-income country; LDC = least developed country; MIC = middle-income country; SIDS = small island developing states.

a. Cofinancing ratio is determined by the total of non-GEF resources provided for a project compared to GEF grant resources, including the GEF project grant and project preparation grants.

One value of cofinancing in the SGP is the change in attitudes experienced by the local communities and governments, which are sharing resources for the success of SGP projects even though the resources are limited. The numerous SGP projects spread out in different countries and provinces would have a multiplier effect in informing and changing behavior toward the environment. For example, in case studies in Argentina, the local and national governments cofinanced some fuel and logistical support for some projects. They also cofinanced media activities that increased the

project's reach. In Burkina Faso, there are budget lines the government dedicated to the small grants programme.

Cofinancing contributions made by the beneficiary organizations are another important indicator of country ownership. During OP5, the average level of materialized cofinancing is 139 percent of the amount promised at project start. Seven out of the nine completed UCPs had the actual cofinancing amount greater than the promised cofinancing (table 24). The average materialized cofinancing

ratio for UCPs in OP5 is \$1.50 for every GEF dollar. The fact that donors outside the GEF are also using the SGP as an instrument to deliver their programming (e.g., Community Development and Knowledge Management for the Satoyama Initiative or Indigenous Peoples and Community-Conserved Territories and Areas) also speaks to the credibility of the mechanism globally. These initiatives have been

instrumental in broadening the scope of the SGP in terms of adaptation and the empowerment of indigenous peoples, as well as in addressing specific themes of regional significance. This also serves to show how the SGP has high levels of global relevance, at a time when many donors are shying away from providing small grants to civil society directly.

TABLE 24. Materialization of cofinancing for completed upgrading country programmes

GEF project ID	Project title	GEF period	Cofinancing materialization ratio	Cofinancing materialized per \$ of GEF grant	Cofinancing promised per \$ of GEF grant
4383	Fifth Operational Phase of the GEF Small Grants Programme in India	GEF-5	3.36	3.74	1.11
4338	Fifth Operational Phase of the GEF Small Grants Programme in the Philippines	GEF-5	1.91	1.97	1.03
4560	Fifth Operational Phase of the GEF Small Grants Programme in Brazil	GEF-5	1.48	1.39	0.94
4380	Fifth Operational Phase of the GEF Small Grants Programme in Pakistan	GEF-5	1.30	1.54	1.19
9088	Sixth Operational Phase of the GEF Small Grants Programme in Costa Rica	GEF-6	1.20	2.33	1.94
4382	Fifth Operational Phase of the GEF Small Grants Programme in Costa Rica	GEF-5	1.20	1.17	0.97
4353	Fifth Operational Phase of the GEF Small Grants Programme in Mexico	GEF-5	1.06	1.24	1.17
9460	Sixth Operational Phase of the GEF Small Grants Programme in Ecuador	GEF-6	0.94	1.94	2.07
4375	Fifth Operational Phase of the GEF Small Grants Programme in Ecuador	GEF-5	0.89	0.90	1.01
4481	Fifth Operational Phase of the GEF Small Grants Programme in Bolivia	GEF-5	0.86	1.15	1.33
9331	Sixth Operational Phase of the GEF Small Grants Programme in Pakistan	GEF-6	0.48	0.50	1.04
4362	Fifth Operational Phase of the GEF Small Grants Programme in Kenya	GEF-5	0.44	0.45	1.02

Source: Data from the GEF Portal.

Additionality

GEF additionality is classified in six areas: specific environmental additionality, legal and regulatory additionality, institutional and governance additionality, financial additionality, socioeconomic additionality, and innovation additionality (GEF IEO 2020a). It is understood that not all initiatives can meet the requirements for all aspects of additionality; therefore, this evaluation only examines the ones of particular relevance to the SGP.

The SGP continues to retain its niche as a programme that delivers global environmental benefits through community-based approaches. As reported by several upgraded countries, government resources are rarely directed toward community engagement in reducing threats to the global environment. Through the SGP, the CSOs and CBOs are provided with small grants to implement community projects in pursuit of global environmental benefits related to biodiversity conservation, sustainable land management, climate change mitigation and adaptation, integrated water resources management, and chemicals and waste management. Notably, SGP funding is available for building organizational capacity of community groups to plan and manage complex initiatives. The SGP supports the professionalization of many

CBOs and their activities, particularly in the areas of data collection, M&E, and knowledge generation and dissemination. In the absence of the SGP, local communities would not have the requisite capacity to address threats to the environment, and CSOs would not be able to play a vital role in changing people's behavior; then, the achievement of global environmental benefits would be significantly compromised.

The SGP has also contributed to socioeconomic and innovation additionalities through adapting proven technologies to community needs and promoting fast adoption of technologies in the remote communities. The SGP has supported interventions to avoid greenhouse gas emissions by improving the adoption of energy-efficient and renewable energy technologies. It is reported by the Seventh Operational Phase of the GEF Small Grants Programme in Egypt (GEF ID 10360) and the Seventh Operational Phase of the GEF Small Grants Programme in Malaysia (GEF ID 10363) that without SGP funding or SGP networks of community organizations, the demonstration and application of renewable energy and energy efficiency technologies would be unlikely to occur at scale. The SGP in Pakistan has provided solar lamps in the far-flung coastal communities in Sindh, where people had been living in darkness for decades and without access to electricity.

4 CONCLUSIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSES

4.1 Conclusions

Relevance

Conclusion 1. The SGP continues to be highly relevant to the evolving environmental priorities at all levels. This relevance is a result of the type of activities that are being implemented with SGP support, as well as the way in which activities are implemented. In addition, the combination of environmental, social, and economic benefits contributes greatly to maintaining local relevance and boosting effectiveness. As a programme, the SGP has continuously adapted to the changing policy context.

Conclusion 2. The SGP shows high levels of coherence with the GEF's programmatic framework and UNDP's mandate, and demonstrates that it is possible to maintain internal programmatic coherence across 126 countries. There is consensus that the work of the SGP should continue to expand, though the means of such expansion are not fully clear to everyone involved.

Conclusion 3. Different stakeholders hold diverging and sometimes competing visions of the SGP, which has an impact on its overall governance, policies, and future directions. The lack of a unified vision leads to policy and operational ambiguities—particularly regarding the challenges involved in implementing the upgrading process, defining acceptable programmatic costs, and in adapting the rolling modality to the GEF context. Although attempts were made to revitalize the SGP vision, and despite its agility over the years, the SGP's overall direction has been adversely affected by leadership changes, operational considerations, fluctuations in the financial envelope, and changing local circumstances.

Conclusion 4. The disadvantages and risks of the upgrading process outweigh its short-term financial advantages. Despite efforts by CPMT to inform country stakeholders upon upgrading, the potential disadvantages and risks of upgrading are not yet fully understood. There is a high risk of programming gaps, interruptions, or even closure, which could lead to the loss of a unique GEF funding window that is dedicated for CSOs and small grants in developing countries. The decisive factor in adopting an upgrading policy in OP5 was the inability (or unwillingness) of the GEF Replenishment to provide increased resources to the SGP that would align with requirements for expansion and programmatic development. To bring in more countries to the SGP and enable continuous membership increase, the upgrading process transfers the funding pressure from the corporate level to the individual country STAR allocations. Additionally, the upgrading policy and the discourse around upgrading have tended to make assumptions about civil society capacity and the ability of countries to generate global environmental benefits aligned with their upgraded status that do not always materialize. Country stakeholders view the upgrading process in a less positive light as the possibility approaches.

Effectiveness

Conclusion 5. The SGP has been consistent in its delivery of environmental results at local, national, and global levels and in generating economic and social benefits. The evaluation found that the pace of environmental results achievement is stable compared to the 2015 analysis of country level results. The SGP's inclusiveness, demand-driven nature, and innovativeness all contribute to its effectiveness at the local level. Importantly, the SGP benefits from high levels of ownership, visibility,

and credibility—a form of social capital that can be both celebrated and built upon.

Conclusion 6. The pace at which the SGP repackages its programming framework in response to changing programming trends is not effective, because it adds complexity, and the impact of new programmatic frameworks is not always felt at the local level. Changing programmatic frameworks too frequently dilutes the SGP's focus without leading to improved results at the national level, and the proliferation of programmatic options (strategic initiatives, focal area results, innovation programmes, and Grantmaker Plus initiatives) is confusing. For many of these special initiatives to take root, many years would have to pass to see a trickle-down effect. At present, outside of the landscape/seascape approach to targeting, and the Indigenous and Community Conserved Areas–Global Support Initiative partnership, few other special SGP initiatives have had much uptake.

Conclusion 7. As a unique mechanism that channels funds to CSOs, many of which are new to development work, the SGP promotes new ways of working that are flexible enough to adapt to local circumstances. Because it is demand driven, and because it allows for controlled risk taking by organizations who have little capacity, or who have been excluded for other reasons, the SGP is uniquely placed to act as a promoter of technical, institutional, and social innovation. In many regards, the SGP has acted as the GEF's CSO-focused (green) venture capital mechanism. The development of different models for fostering broader adoption and sustainability could help create even stronger incentives for such innovation. The experience of the SGP over the past decades can be leveraged as a unique mechanism for small grant delivery, particularly at a time when many donors feel less confident about small grants mechanisms, and when the quest for operational efficiencies through large programmatic approaches leads to the exclusion of small local voices. This uniqueness could be leveraged to a bigger scale, within UNDP, the broader GEF partnership, and beyond.

Efficiency

Conclusion 8. The governance structure of the SGP is complex, and the upgrading process has complicated the lines of accountabilities even further. One of the strongest assets of the SGP is the national-level steering committee and coordinators, who act as engines for the programme's progress at the local level. NSCs and national coordinators have insufficient support to enable the SGP to tap into more of its current social capital and leverage additional partnerships at the national level to support broader adoption. This support would include a stronger partnership with UNDP's national development programmes, which may be facilitated through more efficient knowledge sharing across UNDP Country Offices and the SGP. At the global level, the relationship between UNDP, GEF, CPMT, and UNOPS as well as responsibilities and accountabilities among these key stakeholders remain rather ambiguous.

Conclusion 9. The improvements in efficiency at the global programme level have been weakened by challenges in upgrading countries. There has been improved management of the project cycle for both the global programme and upgraded countries; however, these increases in efficiencies have trade-offs which are especially evident when a country transitions from a global to an upgraded programme. In addition, the upgrading process has transferred a larger number of operational risks and transaction costs to developing countries, which have led to delays, suboptimal M&E, dissatisfaction with the operational challenges, and sometimes competition or conflicts related to priorities for resource allocation.

Conclusion 10. The improvements made to the overall monitoring and evaluation framework of the SGP have been significant, and more could be done to leverage the benefits of monitoring and evaluation in the future. The M&E system has been enhanced by the adoption of a new strategy and guidelines, indicators, and data monitoring system, and continued investment is important. Currently

the M&E system does not provide sufficient granularity in the tracking of grants and grantees to support targeting of beneficiaries and to measure CSO capacity and maturity. M&E protocols and processes related to the global programme and UCPs, and the inherent complexities of the rolling modality are not yet fully harmonized with the GEF monitoring requirements.

Sustainability

Conclusion 11. The measurement of sustainability in the SGP is not sufficiently nuanced to capture the nature of the work. In the cases where the SGP is offering first proof-of-concept financing, or working with newly constituted organizations, sustainability expressed in the strict terms of continued project outcomes is insufficient. If the success of the SGP is as much a factor of “what” is done (e.g., environmental technologies) as of “how” it is done (e.g., innovation, partnerships, inclusiveness), then sustainability in the SGP requires an additional layer related to its intangible benefits.

Conclusion 12. The nature of interventions supported by the SGP entails that the pathways to sustainability of results of individual grants require additional investment. Far from being a flaw in the design, this could be leveraged to design strategies for identifying promising projects as well as for incentivizing sustainability. For example, the social economy model may provide avenues for including a broader cross-section of CSOs in the SGP while ensuring that initiatives remain financially viable after the SGP’s initial grant is spent.

Conclusion 13. The innovativeness of the SGP lies in the way it works with local partners, more than in the technologies or approaches it promotes. In a large number of cases, it is the former that takes on the most significance in a country. By building trust, reducing the risk in testing innovations, and fostering collaboration and dialogue, the SGP creates new conditions in which the future of the sustainable development and conservation movement can take root. In many countries, that is the real innovation.

4.2 Recommendations

These recommendations repeat some that were made by the 2015 joint evaluation, but that have not yet been completed despite the commitments made in the management response. This evaluation reiterates their relevance and importance to the SGP today and in the future.

Strategic Recommendations

Recommendation 1. (to the GEF and UNDP). As recommended in the 2015 evaluation, the SGP should conduct a consultative process towards the formulation of an updated long-term vision for the SGP. This process should begin by taking stock of the past 25+ years of programming and should serve to inform future replenishment discussions. The process should be inclusive of upgraded countries, countries participating in the SGP global programme, GEF Council and UNDP, and the final vision should be adopted by the GEF Council/Assembly. The purpose would be to ensure that the vision, mission and mandate of the SGP are clear and consensual and serve as a guiding framework for policy decisions through future GEF periods.

Recommendation 2. (to the GEF). In developing the implementation arrangements for SGP, the GEF Secretariat, in collaboration with UNDP, should provide Council and the next replenishment with a detailed analysis of the impacts of a shrinking SGP funding envelope on the operations of the SGP, the pressures placed on STAR allocations, demands to add new countries to the global programme without concomitant growth in core funding, and the risk of losing the goodwill and social capital the SGP brings to the GEF as a whole. Going forward, the level of resources provided to the SGP must be considered in proportion with the requirements for expansion and ‘universal access’, and the upgrading policy could be designed so as to maximize benefits rather than primarily as a means for creating “fiscal space.”

Recommendation 3. (to the GEF and UNDP). The SGP should reconsider whether it needs a continued upgrading policy. If upgrading is maintained, the SGP should rethink the means for its implementation in order to reduce the risk borne by countries and CSOs. This applies to all stakeholders involved in policymaking for the SGP. This would include a revision of the upgrading criteria, as recommended in the 2015 evaluation, as well as implementation arrangements and operational modalities. The two cycles of upgrading have brought to light significant challenges that need to be taken into consideration if and when continuing to upgrade countries. The revised policy should be focused on CSO capacity and potential for global environmental benefits and should consider the effects of upgrading on transaction costs, operational considerations, risks in all fiscal contexts; and also consider the risks in having small community projects go unfunded. To conserve the high levels of efficiency when transitioning from global programme to upgraded status, assumptions about civil society capacity and the CSO-government relationship need to be examined on a case-by-case basis.

Programmatic Recommendations

Recommendation 4. (to the Central Programme Management Team). The ways that SGP interventions are packaged, such as strategic initiatives, focal area results, innovation programmes and Grantmakers Plus initiatives, should be simplified. A small number of thematic frameworks (e.g., landscape/seascape approach) may be adopted to steer or shape programming, incentivize innovation or address urgent and emerging issues, but the pace of change should be slow enough to allow for local adoption and internalization by local communities.

Operational Recommendations

Recommendation 5. (to the SGP Global Steering Committee and the Central Programme Management Team). As recommended in the 2015 joint evaluation, the SGP should review and re-energize its governance at the global and national

levels. This will help to avoid misunderstandings and strengthen the relationship, through revised terms of reference, improved communication, agreed operational language or more frequent meetings. At the national level, the Terms of Reference of the national steering committee should be reviewed with emphasis on building synergies with the national UNDP programmes and creating spaces for new committee members that could help in increasing the broader adoption of SGP small grant projects (such as including members with expertise in building business models or inclusion of private sector representatives).

Recommendation 6. (to the Central Programme Management Team). The SGP should test new ways to track and aggregate the intangible results generated by countries benefiting from SGP inputs such as the benefits received from its capacity-building activities, monitoring and evaluation, communications and knowledge management. There should be a systematic process in which the global programme countries benefit from the experiences of the upgraded countries and vice versa. At the country level, the SGP should be able to track the evolution of the grantees they support and the broader adoption of activities that have been implemented, to maximize the space for innovation and support the evolution of its grantees. The team should continue to ensure that adequate knowledge management strategies are in place with related capacity to implement these strategies, so as to allow the maximization of broader adoption opportunities stemming from SGP initiatives.

Recommendation 7. (to the Central Programme Management Team, UNDP, and the GEF). The approach to and measurement of sustainability in the SGP should be improved to capture the tangible and intangible benefits of the programme. A first layer of sustainability could be measured at the level of small grant projects, while another could be measured at the level of grantees. A measure of sustainability in this context may be whether the organizations continue to operate in the environmental space after the SGP grant

is concluded. A scale of CSO capacity could be devised that would allow for long-term tracking of SGP grantees and their progression along the development continuum, especially for those who receive repeat funding or whose activities are replicated or upscaled through new projects.

Recommendation 8. (to the Central Programme Management Team). The team should create operational mechanisms to improve and incentivize innovation and business-oriented approaches in country programmes. These mechanisms would maximize the potential for environmental benefits and social inclusion while creating opportunities for long-term viability of supported SGP small grants. The social economy model provides a useful avenue for the SGP to expand to new beneficiaries and to optimize the sustainability of its results. Enhanced and more systematic synergies between UNDP and the SGP at the country level could facilitate this process. Examples include priority selection of innovative projects, varied scales of financing for business-oriented initiatives, and the broader adoption of SGP small grant projects into UNDP programming.

Recommendation 9. (to the GEF). The GEF Secretariat should apply the explicit, accepted accounting standards that are applied to the rest of the GEF portfolio when assessing SGP management costs. The appropriateness of the level of management expenditures should be a factor of the level of management activities that are required. Programmatic activities related to CSO capacity-building, monitoring, knowledge, technical assistance and communication should not be considered part of the management cost even if they are expenditures incurred by UNDP and UNOPS in their capacity as implementing agency and executing agency. Further discussion on this matter between the GEF and the UNDP should take place on the basis of clarification as to the future vision of the SGP. The next GEF replenishment may wish to consider setting benchmarks for programmatic costs in relation to the demands placed on and resources provided to the SGP.

4.3 UNDP management response

Recommendation 1. (to the GEF and UNDP)



As recommended in the 2015 evaluation, the SGP should conduct a consultative process towards the formulation of an updated long-term vision for the programme.

This process should begin by taking stock of the past 25+ years of programming and should serve to inform future replenishment discussions. The process should be inclusive of upgraded countries, countries participating in the SGP global programme, GEF Council and UNDP, and the final vision should be adopted by the GEF Council/Assembly. The purpose would be to ensure that the vision, mission and mandate of the SGP are clear and consensual, and serve as a guiding framework for policy decisions through future GEF periods.

Management response







UNDP accepts the recommendation and will work with the GEF and the SGP Steering Committee to conduct a consultative process towards the formulation of a long-term vision for the SGP, with a focus on growth, synergies and scaling up.

In partnership with the GEF secretariat, several actions have already been initiated to articulate the strategic directions and vision for the SGP. These include elaboration of strategic directions in recent GEF Council papers, including the GEF Small Grants Programme implementation arrangements for GEF-7, approved by the GEF Council in June 2018, followed by the GEF-7 project document on the SGP, approved in June 2020. These papers have laid out strategic directions of the SGP in alignment with the GEF-7 programming directions and the UNDP Strategic Plan, 2018–2021. To ensure that the vision, mission and mandate of the SGP are clear and consensual, a consultative process for an agreed vision has also been initiated among partners and stakeholders in the context of developing the SGP strategy for GEF-7 and GEF-8 replenishment. Moreover, UNDP has taken steps to integrate, mainstream and strengthen local action and community participation in its environment and other thematic work.



The SGP Steering Committee, reconvened as of July 2020 and revitalized as a multi-stakeholder governance body of the SGP comprising the GEF secretariat, UNDP and the GEF CSO network, could serve as the primary mechanism for consultative and regular review of the SGP long-term vision, mandate and strategy in GEF-8 and beyond. Because the SGP is a community-driven and country-led programme, a consultative process involving national coordinators, national steering committees and other stakeholders will inform the work of the SGP Steering Committee.

Key action(s)	Completion date	Responsible unit(s)	Tracking*	
			Status (initiated, completed or no due date)	Comments
1.1 Consultations with key stakeholders on the SGP long-term vision and strategic direction as part of the SGP strategy development for GEF-8.	Q2, 2022	Central Programme Management Team, UNDP		
1.2 Results from the consultation presented to the SGP Steering Committee to provide overall guidance and direction for their deliberations.	Q2, 2022	Central Programme Management Team, UNDP		

<p>Recommendation 2. (to the GEF)</p> 	<p>In developing the implementation arrangements for SGP, the GEF secretariat, in collaboration with UNDP, should provide the GEF Council and replenishment with a detailed analysis of the impacts of a shrinking SGP funding envelope on the operations of the SGP, the pressures placed on STAR allocations, demands to add new countries to the global programme without concomitant growth in core funding, and the risk of losing the goodwill and social capital the SGP brings to the GEF as a whole.</p> <p>Going forward, the level of resources provided to the SGP must be considered in proportion to the requirements for expansion and “universal access”, and the upgrading policy could be designed so as to maximize benefits rather than primarily as a means for creating “fiscal space.”</p>
<p>Management response</p> 	<p>While this recommendation is directed to the GEF, UNDP stands ready to provide support and collaboration to the GEF in the its implementation, as needed.</p>

<p>Recommendation 3. (to the GEF and UNDP)</p> 	<p>The SGP should reconsider whether it needs a continued upgrading policy. If upgrading is maintained, the SGP should rethink the means for its implementation in order to reduce the risk borne by countries and CSOs.</p> <p>This applies to all stakeholders involved in policymaking for the SGP. This would include a revision of the upgrading criteria, as recommended in the 2015 evaluation, as well as implementation arrangements and operational modalities. The two cycles of upgrading have brought to light significant challenges that need to be taken into consideration if and when countries continue to be upgraded. The revised policy should be focused on CSO capacity and potential for global environmental benefits, and should consider the effects of upgrading on transaction costs, operational considerations and risks in all fiscal contexts, and should also consider the risks in having small community projects go unfunded. To conserve the high levels of efficiency when transitioning from global programme to upgraded status, assumptions about civil society capacity and the CSO-government relationship need to be examined on a case-by-case basis.</p>
<p>Management response</p> 	<p>UNDP accepts this recommendation and will work with the GEF and the SGP Steering Committee to re-examine the upgrading policy and the related implementation experiences of the 16 upgraded country programmes over the past 10 years, including review of upgrading criteria, implementation arrangements and operational modalities. UNDP will take stock of the recommendations of the second and third joint evaluations and together with the GEF, will assess the benefits and challenges of upgrading, in close consultation with UNDP country offices and other relevant stakeholders. UNDP has taken steps in reviewing the feasibility of adopting different criteria and operational modalities, as successive independent evaluations have assessed the opportunities, challenges and risks associated with the current upgrading policy, in relation to the continued civil society engagement in efforts to fulfil national commitments to the multilateral environmental agreements.</p>

Key action(s)	Completion date	Responsible unit(s)	Tracking*	
			Status (initiated, completed or no due date)	Comments
3.1 SGP Steering Committee to convene an upgrading task force to review upgrading criteria, implementation arrangements and operational modalities	Q4, 2021	UNDP, Central Programme Management Team		
3.2 Results from the upgrading task force presented to the SGP Steering Committee	Q2, 2022	UNDP, Central Programme Management Team		

<p>Recommendation 4. (to the Central Programme Management Team)</p> 	<p>The ways in which SGP interventions are packaged, such as strategic initiatives, focal area results, innovation programmes and Grantmakers Plus initiatives, should be simplified.</p> <p>A small number of thematic frameworks (e.g., landscape/seascape approach) may be adopted to steer or shape programming, incentivize innovation or address urgent and emerging issues, but the pace of change should be slow enough to allow for local adoption and internalization by local communities.</p>			
<p>Management response</p> 	<p>The Central Programme Management Team and UNDP accept this recommendation and will work to simplify its interventions to support faster adoption and internalization by local communities. Going forward, lessons emerging from the various programming windows will be integrated into a limited number of strategic initiatives and cross-cutting frameworks.</p> <p>Over its past three operational phases, the SGP has tested and gradually introduced its landscape and seascape approach, which has focused SGP investment in priority geographical areas. This has supported the development of synergies with other programmes and between communities in the landscape; introduced multi-stakeholder governance approaches; and facilitated innovative actions by communities, knowledge-sharing and effective management of the socio-ecological landscapes/seascapes. The SGP has also adopted and aligned its integrated approaches to the GEF programming directions, the targets of the UNDP Strategic Plan and multilateral environmental agreements (such as the Convention on Biological Diversity, and emerging needs at country levels). In response to emerging global and country needs, the SGP introduced the innovation programme to pilot innovative approaches and tools on specific thematic issue among a group of participating countries and advance the implementation of the corresponding SGP strategic initiative.</p>			
Key action(s)	Completion date	Responsible unit(s)	Tracking*	
			Status (initiated, completed or no due date)	Comments
4.1 Refine the SGP strategic focus and initiatives in the context of developing the SGP strategy for GEF-8	Q4, 2022	UNDP, Central Programme Management Team		

4.2 Provide increased and improved global guidance and capacity development at local levels to promote adoption of the integrated strategies	Q4, 2022	Central Programme Management Team		
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Recommendation 5. (to the SGP Steering Committee and Central Programme Management Team)

As recommended in the 2015 joint evaluation, the SGP should review and re-energize its governance at the global and national levels.

This will help to avoid misunderstandings and strengthen the relationship, through revised terms of reference, improved communication, agreed operational language or more frequent meetings. At the national level, the terms of reference of the national steering committees should be reviewed with emphasis on building synergies with the national UNDP programmes and creating spaces for new steering committee members that could help in increasing the broader adoption of SGP projects (such as including members with expertise in building business models or inclusion of private sector representatives).



Management response

UNDP accepts this recommendation and will work with the SGP Steering Committee to review and re-energize SGP governance at the global and national levels.

At the global level, a process was initiated in June 2020 to revitalize the SGP Steering Committee, including the revision of the terms of reference of the committee, which would clearly define its role as a multi-stakeholder governance body for the SGP, and serve as an effective forum for participatory decision-making, engagement with the wider GEF partnership and other partners on key strategic issues on a regular basis.

At national level, work is already underway to update the terms of reference of the national steering committees in line with the updated SGP operational guidelines, including enhancing synergy with UNDP programmes and leveraging their extensive networks for broader adoption.



Key action(s)	Completion date	Responsible unit(s)	Tracking*	
			Status (initiated, completed or no due date)	Comments
5.1 Support regular organization of SGP Steering Committee meetings	Q4, 2021	UNDP, Central Programme Management Team		
5.2 Review and provide inputs in updating the terms of reference of the SGP Steering Committee, including review of members and resource person/ observers, with established protocol for communication and participatory decision-making.	Q4, 2021	UNDP, Central Programme Management Team		

5.3 Update terms of reference of national steering committees that clarify having majority CSO members, including private sector members as relevant, and support their implementation	Q2, 2021	Central Programme Management Team, UNDP		
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<p>Recommendation 6. (to the Central Programme Management Team)</p> 	<p>The SGP should test new ways to track and aggregate the intangible results generated by countries from SGP inputs such as the benefits received from its capacity-building activities, monitoring and evaluation, communications and knowledge management.</p> <p>There should be a systematic process in which the global programme countries benefit from the experiences of the upgraded countries and vice versa. At the country level, the SGP should be able to track the evolution of the grantees it supports and the broader adoption of activities that have been implemented, to maximize the space for innovation and support the evolution of its grantees. The Central Programme Management Team should continue to ensure that adequate knowledge management strategies are in place with related capacity to implement them, that would allow the maximization of broader adoption opportunities stemming from SGP initiatives.</p>
<p>Management response</p> 	<p>Management response: The Central Programme Management Team and UNDP accept this recommendation. Inputs such as capacity development, monitoring and evaluation, knowledge management and communication are critical elements of SGP programme components to generate global environmental benefits. They are also essential to the success of the programme and its impact, particularly considering that SGP grants are made to CSOs and CBOs which often have relatively limited capacity. As the evaluation notes, such programme costs are critical to sustainability and broader adoption efforts such as scaling up and replication.</p> <p>The SGP has already put in place mechanisms to track and aggregate these intangible results, especially with the roll-out of its new monitoring and evaluation strategy. In particular, this relates to integration of methodologies to assess change at country level, including those related to innovation and broader adoption. Global programme countries also continue to benefit from experiences of upgraded country programmes and vice versa. As an example of knowledge-sharing between global programme countries and upgraded country programmes, the current community-based landscape approach finds its roots in two SGP pilot projects (Community Development and Knowledge Management for the Satoyama Initiative, known as COMDEKS, and Engaging Local Communities in Stewardship of World Heritage, known as COMPACT), as well as experiences from the upgraded country programme portfolio that have provided much of the methodological basis for the landscape approach and evidence for its effectiveness in a variety of different geographic and cultural settings. The exchange of learning and experiences between global and upgraded country programmes is supported by an umbrella SGP knowledge and communications strategy. Additionally, all the newly approved upgraded country programmes in GEF-7 have identified specific knowledge management activities that will promote replication and upscaling across the landscapes, across the country and to the global SGP network.</p>

	SGP will further refine and formalize the system to monitor the efficiency and results of capacity development, knowledge management and communication, including the definition and capture of appropriate indicators.			
Key action(s)	Completion date	Responsible unit(s)	Tracking*	
			Status (initiated, completed or no due date)	Comments
6.1 Formalize the current systematic approach to tracking intangible benefits of SGP programmatic activities (capacity- building, monitoring and evaluation, communications and knowledge management)	Q1, 2022	Central Programme Management Team, UNDP		
6.2 Introduce a small number of indicators in the GEF-8 SGP results framework for results attributable to capacity-building activities, monitoring and evaluation, communications and knowledge management.	Q4, 2022	Central Programme Management Team		

**Recommendation 7.
(to the Central Programme Management Team, UNDP and the GEF)**



The approach to and measurement of sustainability in the SGP should be improved to capture the tangible and intangible benefits of the programme.

A first layer of sustainability could be measured at grant or project level, while another could be measured at the level of grantees. A measure of sustainability in this context may be whether the organizations continue to operate in the environmental space after the SGP grant is concluded. A scale of CSO capacity could be devised that would allow for long-term tracking of SGP grantees and their progression along the development continuum, especially for those who receive repeat funding or whose activities are replicated or upscaled through new projects.

Management response



The Central Programme Management Team and UNDP accept this recommendation and will work with the GEF for its implementation. As noted in the evaluation, SGP often operates in a 'first mover' capacity that provides seed funding for pilot and demonstration projects, which are often followed by multiple investments by SGP and other funding over subsequent operational phases to ensure sustainability and scale-up of project successes. Communities targeted by the SGP are often the poorest and most vulnerable with typically low capacities to adequately address global environmental problems, which in turn can hinder community-based project sustainability. In addition, the SGP operates in many fragile environments with political and economic instability and other macro factors that impact sustainability. As part of efforts to develop an appropriate approach to capture the intangible benefits of SGP interventions (see response to recommendation 6), the SGP will also explore ways to measure sustainability at the level of grantees, as recommended.



The SGP already takes many steps towards ensuring sustainability. In many countries, under GEF-7, the SGP is expanding its innovative CSO-government-private sector dialogue platforms to enhance the capacity of CSOs and CBOs to influence relevant government policies and programmes, while working with the private sector to leverage its potential to invest and support sustainability at the local level. These platforms thus help to mainstream environmental conservation in national and subnational decision-making. The SGP has systematically invested in capacity development of local and national civil society stakeholders as another strategy for environmental sustainability. Each year, over 70 per cent of SGP country programmes invest in some form of grantee capacitation, network building and community mobilization. With its programmatic strategy, the SGP has a long-term, continuous, multi-phased approach in directly engaging local communities and often socially marginalized groups (women, indigenous peoples, youth and persons with disabilities) in all stages of the grant project cycle: design, implementation, monitoring and evaluation. This enables community ownership of ideas and sustains the gains from them. With an emphasis on further integration of SGP country teams with UNDP country offices in GEF-7 and beyond, sustainability of results will be maintained through linkage with relevant national policies and programmes, as well as by scaling up through larger donor- and government-led programmes and projects.

Key action(s)	Completion date	Responsible unit(s)	Tracking*	
			Status (initiated, completed or no due date)	Comments
7.1 Development of an appropriate approach to measure sustainability, inter alia, of CSO capacities	Q2, 2022	Central Programme Management Team, UNDP		

**Recommendation 8.
(to the Central Programme Management Team)**



The Central Programme Management Team should create operational mechanisms to improve and incentivize innovation and business-oriented approaches in country programmes.

These mechanisms would maximize the potential for environmental benefits and social inclusion while creating opportunities for long-term viability of projects supported by the SGP. The social economy model provides a useful avenue for the SGP to expand to new beneficiaries and to optimize the sustainability of its results. Enhanced and more systematic synergies between UNDP and the SGP at the country level could facilitate this process. Examples include priority selection of innovative projects, varied scales of financing for business-oriented initiatives and the broader adoption of SGP projects into UNDP programming.



Management response



The Central Programme Management Team and UNDP accept this recommendation. As a cross-cutting thread in SGP interventions, innovation is not just an integrated approach to project execution, but also a key SGP result. The micro and local nature of SGP projects lends feasibility to undertake risk and experiment with pilot development as a test and trial for effective and efficient community-led solutions that work in a given context, or may have broader scaling-up potential and replicability later. As well noted in conclusion 13 of the evaluation, “the innovativeness of SGP lies in the way it works with local partners, more than in technologies or approaches it promotes. By building trust, reducing the risk in testing innovations and fostering collaboration and dialogue, the SGP creates new conditions upon which the future of sustainable development and conservation movement can take root.”

The SGP has already taken steps to further strengthen innovation in country programmes. With priority selection of innovative projects and the integrated landscape approach, more systematic, purposeful innovation is being encouraged in GEF-7, whereby CSOs/CBOs identify potential innovations and the corresponding indicators of success, then evaluate the performance of the innovation in a method of learning by doing.

With respect to broader adoption of innovations tested under the SGP projects into UNDP programming, many SGP country programmes will continue to strengthen linkages with UNDP accelerator labs and regional innovation teams to scale up innovation and experimentation.

To support business-oriented approaches in country programmes and projects, SGP is developing a private sector guidance note as part of its resource mobilization and partnership strategy (2020-2024), with an aim to enhance private sector engagement and adoption of relevant business models, including supporting small and medium-scale enterprises and exploring use of different financing scales and modalities, through the SGP country programmes.

Key action(s)	Completion date	Responsible unit(s)	Tracking*	
			Status (initiated, completed or no due date)	Comments
8.1 Stocktaking of experiences with the private sector and business-oriented approaches and modalities	Q1, 2022	Central Programme Management Team, UNDP		
8.2 Enhance engagement with the private sector through development of guidance to support business-oriented approaches and modalities	Q2, 2022	Central Programme Management Team, UNDP		

Recommendation 9. (to the GEF)



The GEF secretariat should apply the explicit, accepted accounting standards that are applied to the rest of the GEF portfolio when assessing SGP management costs.

The appropriateness of the level of management expenditures should be a factor of the level of management activities that are required. Programmatic activities related to CSO capacity-building, monitoring, knowledge, technical assistance and communication should not be considered part of management costs even if they are expenditures incurred by UNDP and the United Nations Office for Project Services in their respective capacities as implementing agency and executing agency. There should be further discussion on this matter between GEF and UNDP to clarify the future vision for the SGP. At the time of the next replenishment, the GEF may wish to consider setting benchmarks for programmatic costs in relation to the demands placed on and resources provided to the SGP.

Management response



While this recommendation is directed to GEF, UNDP stands ready to provide support and collaboration to GEF in its implementation, as needed.

4.4 GEF management response

Introduction

The Secretariat welcomes this GEF Small Grants Programme (SGP) evaluation and we are in broad agreement with its findings, conclusions, and recommendations. The Secretariat specifically notes Conclusion (1) stating that *“the SGP is very relevant and coherent with the GEF’s mandate and with the needs for action at all levels to accelerate sustainable development”*, as well as the positive findings around the relevance of SGP as an operational modality within the GEF Partnership and as a financing mechanism for civil society. We welcome the findings that *“across all case studies, the SGP has been shown to reach isolated communities to provide “kickstart” grants and target a larger cross-section*

of CSOs.” We also note Conclusion 5, highlighting that *“the SGP has been consistent in its delivery of environmental results at local, national, and global levels and in generating economic and social benefits.”*

UNDP has provided to its Executive Board a separate management response that pertains to both UNDP and the SGP Central Programme Management Team.⁵⁹ The Secretariat’s management response and proposed actions, provided below, pertain to the GEF Secretariat only, while also reflecting UNDP’s management response to the evaluation. It describes our plans, in close interface with UNDP, the SGP Central Programme Management Team (CPMT) and the broader GEF Partnership, to assess strategic opportunities to elevate and leverage the reach, impact, and efficiency of the GEF SGP in GEF-8 and beyond.

⁵⁹ UNDP Management Response, see page 76.

**Recommendation 1.
(to the GEF and UNDP)**



As recommended in the 2015 evaluation, the SGP should conduct a consultative process towards the formulation of an updated long-term vision for the programme.

This process should begin by taking stock of the past 25+ years of programming and should serve to inform future replenishment discussions. The process should be inclusive of upgraded countries, countries participating in the SGP global programme, GEF Council and UNDP, and the final vision should be adopted by the GEF Council/Assembly. The purpose would be to ensure that the vision, mission and mandate of the SGP are clear and consensual, and serve as a guiding framework for policy decisions through future GEF periods.

Management response



The Secretariat welcomes this recommendation. The Secretariat would like to point to several actions that have already been initiated to renew the strategic directions and vision for the SGP. More recently, these have included, among other things, the GEF SGP Implementation Arrangements for GEF-7,⁶⁰ approved by the GEF Council in June 2018, and the GEF-7 project document on the SGP,⁶¹ approved in June 2020.

The Secretariat will build on the efforts and work to update and lead a consultative process towards the formulation of a longer-term vision for the SGP in close collaboration with UNDP and the SGP Steering Committee. Considering that the SGP is a community-driven and country-led programme, the GEF Secretariat will collaborate closely with UNDP and the SGP Central Programme Management Team to ensure that the consultative process adequately engages upgraded countries and countries participating in the SGP global programme, including national coordinators, national steering committees, together with other stakeholders including government representatives, civil society organizations and other stakeholders. It is expected that the results of the formulation of this longer-term vision will inform the GEF SGP Implementation Arrangements for GEF-8 and will serve as a broader SGP guiding framework for future GEF replenishment periods.

**Recommendation 2.
(to the GEF)**



In developing the implementation arrangements for SGP, the GEF secretariat, in collaboration with UNDP, should provide the GEF Council and replenishment with a detailed analysis of the impacts of a shrinking SGP funding envelope on the operations of the SGP, the pressures placed on STAR allocations, demands to add new countries to the global programme without concomitant growth in core funding, and the risk of losing the goodwill and social capital the SGP brings to the GEF as a whole.

Going forward, the level of resources provided to the SGP must be considered in proportion to the requirements for expansion and “universal access”, and the upgrading policy could be designed so as to maximize benefits rather than primarily as a means for creating “fiscal space.”

⁶⁰ GEF/C.54/05/Rev.01, GEF Small Grants Programme: Implementation Arrangements for GEF-7, https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.54.05.Rev_01_SGP.pdf

⁶¹ <https://www.thegef.org/project/gef-sgp-7th-operational-phase-core-part-1>

Management response



The Secretariat takes note of this recommendation and acknowledges the need to further analyse and adapt the strategic framework of the GEF Small Grants Programme to improve the relation between its obligations, operational modalities and resources. The Secretariat also notes that unless increased funding materializes there will necessarily be trade-offs to be addressed within the GEF Small Grants Programme in GEF-8 and beyond.

The Secretariat will seek to leverage the consultative process set forth to formulate the long-term vision (see the Secretariat's management response to recommendation 1) to solicit input and feedback from all relevant stakeholders in the broader GEF Partnership. The Secretariat will revisit and propose to discuss, within the governance process of the GEF-8 replenishment decisions and as part of the GEF-8 SGP Strategy, adapted modalities defining the following dimensions: universal country access; upgrading policy; and the proportion of total GEF Small Grants Programme resources dedicated to flow directly to CSOs in the context of the overall resource envelope and strategy of the SGP and the GEF-8 GEF SGP Implementation Arrangements to be presented at the 62nd Council (see also the Secretariat's management response for recommendation 9). The results and conclusions of these analyses and consultations will be incorporated in the forthcoming GEF-8 replenishment documents and GEF SGP Implementation Arrangements for GEF-8.

Recommendation 3. (to the GEF and UNDP)



The SGP should reconsider whether it needs a continued upgrading policy. If upgrading is maintained, the SGP should rethink the means for its implementation in order to reduce the risk borne by countries and CSOs.

This applies to all stakeholders involved in policymaking for the SGP. This would include a revision of the upgrading criteria, as recommended in the 2015 evaluation, as well as implementation arrangements and operational modalities. The two cycles of upgrading have brought to light significant challenges that need to be taken into consideration if and when countries continue to be upgraded. The revised policy should be focused on CSO capacity and potential for global environmental benefits, and should consider the effects of upgrading on transaction costs, operational considerations and risks in all fiscal contexts, and should also consider the risks in having small community projects go unfunded. To conserve the high levels of efficiency when transitioning from global programme to upgraded status, assumptions about civil society capacity and the CSO-government relationship need to be examined on a case-by-case basis.

Management response



The Secretariat takes note of this recommendation. The Secretariat appreciates the findings and conclusions arising from this evaluation related to the opportunities, challenges and risks associated with the current upgrading policy and the potential need to re-examine the upgrading Policy. As indicated by this evaluation, the upgrading process has brought some benefits (such as access to greater resources for more mature country programs), but it has also been unfavourable in other aspects, including the uncertainty of access to recourses and competition from other country priorities.

The Secretariat will work with UNDP to take stock of challenges and risks associated with the current upgrading policy and discuss the feasibility of adopting different criteria and operational modalities, taking into account CSO capacity, CSO-government relationship and potential for global environmental benefits. The findings and conclusion of this review and consultations will be incorporated in forthcoming GEF-8 replenishment documents and GEF SGP implementation Arrangements for GEF-8.

Recommendation 4. (to the Central Programme Management Team)



The ways in which SGP interventions are packaged, such as strategic initiatives, focal area results, innovation programmes and Grantmakers Plus initiatives, should be simplified.

A small number of thematic frameworks (e.g., landscape/seascape approach) may be adopted to steer or shape programming, incentivize innovation or address urgent and emerging issues, but the pace of change should be slow enough to allow for local adoption and internalization by local communities.

Management response



The Secretariat takes note of this recommendation and will provide support and collaboration, as needed, to the Central Programme Management Team in line with UNDP's management response to this Evaluation. The Secretariat will specifically work closely with UNDP to ensure that the SGP strategy for GEF-8 is aligned with the forthcoming GEF-8 Programming Directions and Policy Agenda.

Recommendation 5. (to the SGP Steering Committee and Central Programme Management Team)



As recommended in the 2015 joint evaluation, the SGP should review and re-energize its governance at the global and national levels.

This will help to avoid misunderstandings and strengthen the relationship, through revised terms of reference, improved communication, agreed operational language or more frequent meetings. At the national level, the terms of reference of the national steering committees should be reviewed with emphasis on building synergies with the national UNDP programmes and creating spaces for new steering committee members that could help in increasing the broader adoption of SGP projects (such as including members with expertise in building business models or inclusion of private sector representatives).

Management response



The Secretariat welcomes this recommendation and stands ready to support UNDP and the Central Programme Management Team in line with UNDP's management response to this Evaluation that specifies their commitment to review and re-energize its governance at the national and global levels, including the GEF Steering Committee lead by the GEF Secretariat.

**Recommendation 6.
(to the Central Programme
Management Team)**



The SGP should test new ways to track and aggregate the intangible results generated by countries from SGP inputs such as the benefits received from its capacity-building activities, monitoring and evaluation, communications and knowledge management.

There should be a systematic process in which the global programme countries benefit from the experiences of the upgraded countries and vice versa. At the country level, the SGP should be able to track the evolution of the grantees it supports and the broader adoption of activities that have been implemented, to maximize the space for innovation and support the evolution of its grantees. The Central Programme Management Team should continue to ensure that adequate knowledge management strategies are in place with related capacity to implement them, that would allow the maximization of broader adoption opportunities stemming from SGP initiatives.

Management response



The Secretariat takes note of this recommendation and will support the Central Programme Management Team, as needed, in line with UNDP's management response to this Evaluation. The Secretariat will further work to ensure that the SGP strategy for GEF-8 is aligned with GEF Policies and Guidelines and forthcoming GEF-8 Policy Agenda, including ensuring that SGP adopts a results framework that is compatible and aligned with the GEF-8 results architecture, while taking into consideration the feasibility of and capacity for applying them at the community level, and the GEF forthcoming strategy on knowledge management and learning.

**Recommendation 7.
(to the Central Programme
Management Team, UNDP
and the GEF)**



The approach to and measurement of sustainability in the SGP should be improved to capture the tangible and intangible benefits of the programme.

A first layer of sustainability could be measured at grant or project level, while another could be measured at the level of grantees. A measure of sustainability in this context may be whether the organizations continue to operate in the environmental space after the SGP grant is concluded. A scale of CSO capacity could be devised that would allow for long-term tracking of SGP grantees and their progression along the development continuum, especially for those who receive repeat funding or whose activities are replicated or upscaled through new projects.

Management response



The Secretariat takes note of this recommendation. The Secretariat would like to highlight that since OPS-6⁶² we have been engaged in multiple studies on sustainability of GEF investments, together with the GEF IEO and STAP. The latest paper to the 57th Council in December 2019⁶³ suggested a framework for sustainability that centred around four main, interconnected themes: (1) theory of change, (2) multi-stakeholder processes, (3) stakeholder involvement and (4) adaptive learning. These 4 themes are interwoven into the life cycle of every GEF project and program, to varying degrees, through a series of underlying programming choices, policies, strategies, and actions. The Secretariat has already put in place many elements that address these dimensions. Demonstrating sustainability takes time, with very long feedback loops, and while the effects of any steps that are being taken cannot be assessed in the near term, the GEF is indeed intensifying action in its portfolio on key dimensions of sustainability.

There are additional considerations with respect to sustainability in the SGP context. As stated in UNDP's management response: *"SGP often operates in a 'first mover' capacity that provides seed funding for pilot and demonstration projects, which are often followed by multiple investments by SGP and other funding over subsequent operational phases to ensure sustainability and scale-up of project successes. Communities targeted by the SGP are often the poorest and most vulnerable with typically low capacities to adequately address global environmental problems, which in turn can hinder community-based project sustainability. In addition, the SGP operates in many fragile environments with political and economic instability and other macro factors that impact sustainability."*

In the context of this evaluation and this recommendation, and building on the work already being done in the wider GEF portfolio, the Secretariat will work with UNDP and the CPMT to understand more deeply the factors that influence sustainability in the SGP, and the ways in which these factors can be influenced within the parameters of the program. Sustainability considerations can also be discussed as part of efforts to develop an appropriate approach to capture the intangible benefits of SGP interventions (see response to recommendation 6) as well as in the formulation of an updated long-term vision for the SGP (see response to recommendation 1).

Recommendation 8. (to the Central Programme Management Team)



The Central Programme Management Team should create operational mechanisms to improve and incentivize innovation and business-oriented approaches in country programmes.

These mechanisms would maximize the potential for environmental benefits and social inclusion while creating opportunities for long-term viability of projects supported by the SGP. The social economy model provides a useful avenue for the SGP to expand to new beneficiaries and to optimize the sustainability of its results. Enhanced and more systematic synergies between UNDP and the SGP at the country level could facilitate this process. Examples include priority selection of innovative projects, varied scales of financing for business-oriented initiatives and the broader adoption of SGP projects into UNDP programming.

⁶² GEF/ME/C.53/Inf.01, Sixth Comprehensive Evaluation of the GEF (OPS6), https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.ME_C.53_Inf.01_OPS6_Nov_2017_0.pdf

⁶³ EF/C.57/08, Towards Greater Durability of GEF Investments, https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF_C.57_08_Towards%20Greater%20Durability%20of%20GEF%20Investments_0.pdf

Management response



The Secretariat welcomes this recommendation and will seek to collaborate with UNDP and the Central Programme Management Team to leverage linkages with the newly approved GEF Private Sector Engagement Strategy and lessons learned from the GEF Non Grant Instruments (NGI). During GEF-8, the GEF's ambition is to build on experiences with micro-credits in a number of SGP Country Programmes and to explore modalities to further promote sustainable livelihoods through i.e. greater collaboration with local micro-financing entities; and to support and accompany the creation of micro, small and medium enterprises at the local and community level.

The Secretariat will also explore options to expand SGP Dialogue Platforms towards a greater engagement of the private sector to leverage its potential to support sustainability at the local level and to provide opportunities for local communities to engage in policy dialogues with national and local governments. The collaborative work and findings of these efforts is expected inform the GEF SGP Implementation Arrangements for GEF-8 and to serve as a broader SGP guiding framework for future GEF replenishment periods.

Recommendation 9. (to the GEF)



The GEF secretariat should apply the explicit, accepted accounting standards that are applied to the rest of the GEF portfolio when assessing SGP management costs.

The appropriateness of the level of management expenditures should be a factor of the level of management activities that are required. Programmatic activities related to CSO capacity-building, monitoring, knowledge, technical assistance and communication should not be considered part of management costs even if they are expenditures incurred by UNDP and the United Nations Office for Project Services in their respective capacities as implementing agency and executing agency. There should be further discussion on this matter between GEF and UNDP to clarify the future vision for the SGP. At the time of the next replenishment, the GEF may wish to consider setting benchmarks for programmatic costs in relation to the demands placed on and resources provided to the SGP.

Management response



The Secretariat takes note of this recommendation and understands that there could be some confusion related to the definition of management costs when applied to GEF SGP as a GEF Cooperate Program. The Secretariat fully agrees, with this Evaluation, that the calculation of SGP's management costs should not extend to services to CSOs and costs for activities related to CSO capacity-building, monitoring, knowledge, technical assistance and communication.

The Secretariat wishes to highlight the fact that the important point of substance that this recommendation indirectly refers to, however, is the issue of the proportion of the total SGP core program resources directly financing Civil Society Organizations. SGP serves as an important direct funding mechanism to civil society and community-based organizations. The Secretariat has in the past tracked the proportion using the methodology as defined and calculated in the Joint GEF-UNDP SGP evaluation of 2008.⁶⁴ This proportion remains a valuable marker of SGP operations. As per the recommendation, the Secretariat commits to continuing this conversation with UNDP in the context of formulating the longer-term vision of the SGP (see recommendation 1).

It is worth noting that the Secretariat has been working closely with UNDP, in GEF-7, to increase the proportion of grants flowing to CSOs, while also ensuring adequate funding for capacity building, knowledge management, monitoring and evaluation, as well as the needed technical assistance and communication for the program as a whole. The Secretariat will consult and work with UNDP to, as part of setting the long-term SGP vision, make sure that SGP program resources flowing directly to CSOs are carefully defined in terms of terminology, methodologies and resources. The Secretariat will seek to align with IEO's recommendation that the next replenishment should consider setting benchmarks for programmatic costs. We also propose that the next replenishment considers setting a proportion of the total SGP financing to flow to CSOs in the context of the overall resource envelope and strategy of the SGP and the GEF-8 GEF SGP Implementation Arrangements to be presented at the 62nd Council. The collaborative conclusion of this effort is expected to inform the GEF SGP Implementation Arrangements for GEF-8 and to serve as a broader SGP guiding framework for future GEF replenishment periods and for project approval.

Conclusion

The Secretariat expects that many of the actions pertaining, in our management response, to the specific recommendations identified above, will commence in 2021 and will be part of the consultations and development of the GEF-8 replenishment documentations.

Apart from regular monitoring and reporting as part of the GEF APMRs and Scorecards, it is envisaged that the outcome of the analytical and consultative work in 2021 and early 2022 will be incorporated in forthcoming GEF-8 replenishment documents and GEF SGP Implementation Arrangements for GEF-8, as well as through the IEO's standard Management Action Record.

⁶⁴ <https://www.gefio.org/sites/default/files/documents/reports/sgp-2008.pdf>. The 2021 GEF-UNDP joint evaluation did not repeat the 2008 exercise and therefore does not inform this important point).

ANNEXES

Annexes to the report (listed below) are available on the website of the GEF and UNDP IEO's at:
<https://erc.undp.org/evaluation/evaluations/detail/13051> and <https://www.gefio.org/evaluations/sgp-2021>.

Annex A. Approach paper

Annex B. Small Grants Programme report card

Annex C. Portfolio analysis methods and approach

Annex D. Global survey methods and approach

Annex E. SGP survey statistical analysis results

Annex F. Case studies methods and approach

Annex G. Grant projects reviewed

Annex H. Evaluation matrix

Annex I. Interviewees

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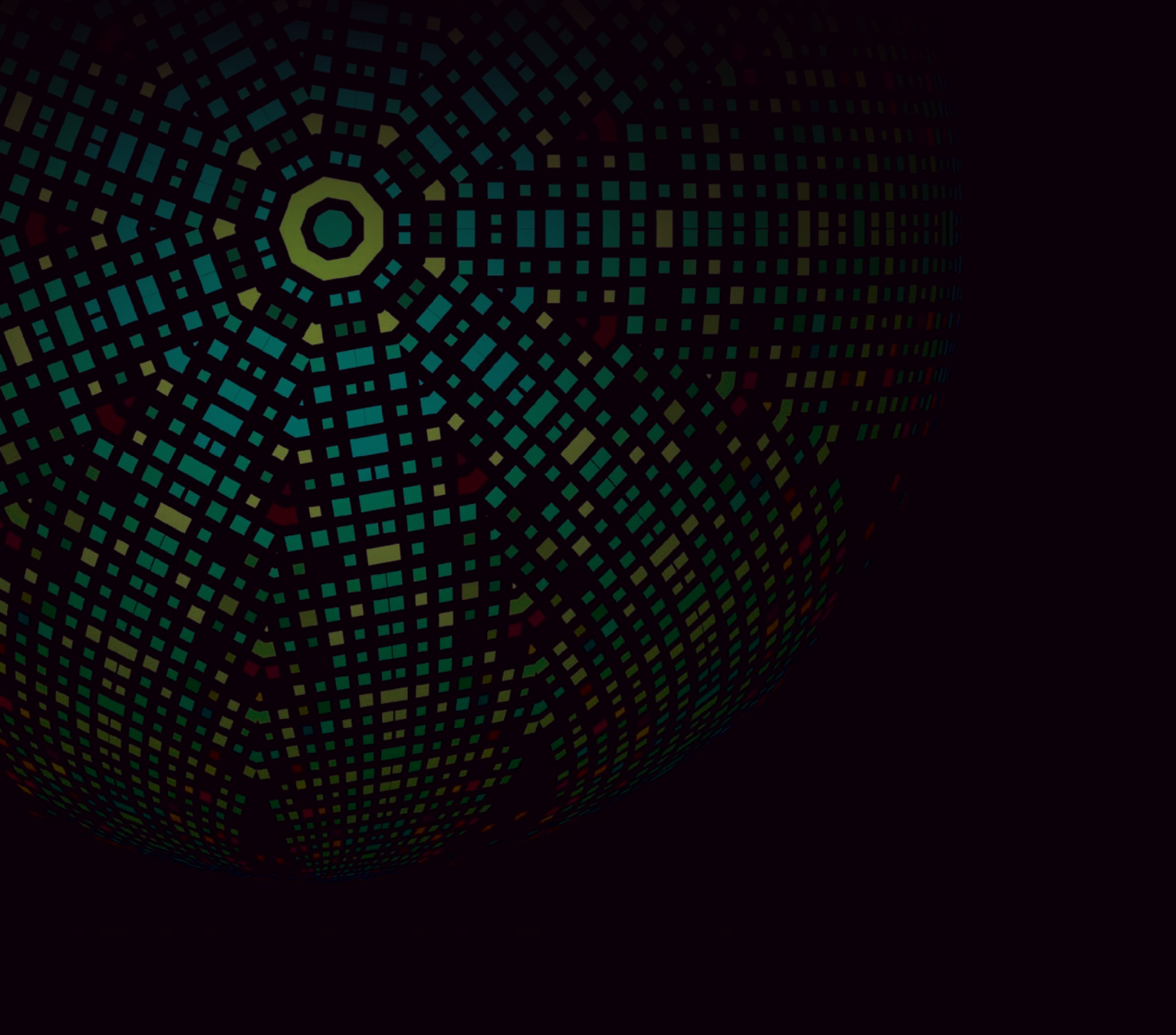
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