



**SGP** The GEF  
Small Grants  
Programme



*Empowered lives.  
Resilient nations.*

## The GEF Small Grants Programme



# Annual Monitoring Report

1 July 2013 – 30 June 2014

Executive Summary

October 2014

## ANNUAL GLOBAL REVIEW 2013 - 2014

During the year 2013-2014, the GEF Small Grants Programme (SGP), implemented by UNDP, provided support to 1,682 new grant projects, committing a total amount of USD 57m in GEF funding while securing nearly USD 59m in total co-financing (including in-cash and in-kind co-financing) for these projects, thus meeting SGP's target of leveraging 1:1 co-financing. The total number of grant projects under implementation, which were supervised and monitored during the reporting period by SGP, amounted to 4,169 projects<sup>1</sup> for a total grant value of over USD 144m and total co-financing value of over USD 156m. During the reporting year, 1,097 projects were completed, the results of which are presented in detail in this Annual Monitoring Report for 2013-2014.

In terms of country coverage, SGP was active in 126 countries during the reporting year, with 117 countries supported by the SGP Global Programme, and 9 countries supported by SGP Upgraded Country Programmes funded through full size projects (FSPs). LDCs and SIDS currently account for 59% of all SGP country programmes, with support provided to CSOs in 40 LDCs and 37 SIDS. Two country programmes, SGP Bulgaria and SGP Romania, were closed in June 2013, as these countries transitioned from being GEF recipient countries to EU members. During early 2014, start-up missions were undertaken for new SGP country programmes to be started in Colombia and Republic of Congo.

The focal area distribution of SGP grant projects under implementation continued to remain strongly focused on Biodiversity which accounted for the largest share of the portfolio (43%), followed by Climate Change Mitigation (25%) and Land Degradation (21%). International Waters and Chemicals each accounted for 3%, while Capacity Development and Multifocal Area projects accounted for 2% each. Climate Change Adaptation, which is separately co-funded from non-GEF sources, accounted for 1% of all projects.

In terms of the regional distribution<sup>2</sup> of SGP's portfolio of active projects, Africa continued to have the largest share of grant funds (34%), followed by Latin America and the Caribbean (29%) and Asia and the Pacific (23%). Two smaller regions, Europe and the CIS and the Arab States, accounted for 8% and 6% respectively of grant funding within the portfolio of active projects.

## PROGRESS TOWARDS OBJECTIVES

### BIODIVERSITY

Projects funded under the biodiversity focal area support the implementation of the targets and priorities established by the UN Convention on Biological Diversity (CBD). In line with the overall GEF-5 strategic priorities, the key focus for GEF SGP during OP5 has been to: *(i) improve the sustainability of protected areas and indigenous and community conservation areas through community-based actions; and (ii) promote biodiversity conservation and sustainable use into production landscapes, seascapes and sectors through community initiatives and actions.*

During the third year of the OP5 reporting period, GEF SGP supported biodiversity conservation in and around protected areas (PAS) and Indigenous and Community Conservation Areas and Territories (ICCAS); the sustainable use of biodiversity in production landscapes and seascapes; as well as on the appropriate protection and transmission of traditional knowledge and genetic resources by culturally appropriate means.

<sup>1</sup> Including 3,896 GEF funded as well as 273 other donor funded grants (for which SGP is a delivery mechanism).

<sup>2</sup> Portfolio statistics are based on funding for GEF SGP total active projects during the period 1 July 2013 to 30 June 2014.

Significant progress has been made during the reporting period in relation to key OP5 biodiversity targets. In particular, the number of significant species that benefitted as a result of SGP project interventions stands at approximately 221% of the original OP5 target,<sup>3</sup> while the number of individual PAs and ICCAs positively influenced through SGP support (614) amounts to approximately 132% of the target established for OP5. In terms of the spatial targets in hectares, SGP has positively influenced some 10.04 million hectares of PAs and ICCAs thus far in OP5.

## CLIMATE CHANGE

This GEF focal area supports the implementation of targets and priorities to mitigate climate change and to contribute to the overall objectives of the United Nations Framework Convention on Climate Change (UNFCCC). In line with the overall GEF-5 strategic priorities, the key focus for GEF SGP during OP5 has been to: *(i) promote the demonstration, development and transfer of low carbon technologies at the community level; (ii) Promote and support energy efficient, low carbon transport at the community level, and (iii) to support the conservation and enhancement of carbon stocks through sustainable management and climate proofing of land use, land use change and forestry.*

SGP country programmes reported relatively lower numbers of renewable energy (32%) and energy efficiency (17%) projects, and low carbon sustainable transport continued to comprise a much smaller part of SGP portfolio (3%), nevertheless producing significant innovations. Conservation of carbon stock projects, which make up 48% of the portfolio, are a new area for OP5 and reflect robust, growing demand by communities. In addition to existing and ongoing partnerships with UN-REDD and GEF FSPs, CPMT spearheaded the establishment of new partnerships, such as Community-based REDD+ (CBR+) which is now being operationalized in selected countries.

As for renewable energy technologies, solar power applications, such as solar panels or solar powered lighting, cook stoves, driers, refrigerators and water pumps continue to prevail. Biogas is another renewable energy technology employed extensively in communities. Other renewable energy technologies were deployed less extensively but no less successfully, including micro hydro, wind energy for water pumping, various biomass technologies and innovative waste-to-energy programs relying on briquettes prepared from crop residues, wood, and shea butter waste. Energy efficiency solutions ranged from energy efficient stoves and lighting (including LED) to building applications. Some innovative technologies emerged from sustainable transport projects, including a solar powered boat for research and recreational purposes, school buses powered by recycled biodiesel, and low carbon bicycles made from local bamboo.

## LAND DEGRADATION

Land Degradation covers Sustainable Land Management (SLM), in particular, reduction of desertification and deforestation. This portfolio helps developing countries implement the UNCCD's 10-year strategic plan at the community level. The Land Degradation portfolio addresses two strategic priorities of the GEF with the objectives of: *i) maintaining or improving the flows of agro-ecosystems services to sustain livelihoods of local communities; and ii) reducing pressures on natural resources from competing land uses in the wider landscapes.* During this reporting period, SGP participated in the 2013 UNCCD scientific conference held in Bonn, Germany where practitioners shared experiences including SGP projects.

As of the last reporting year, SGP has already met and exceeded OP5 objectives for its Land Degradation (LD) and Sustainable Forest Management (SFM) portfolio (see below). Firstly, since the second year of OP5, there has been a notable increase in interest and thus also demand by communities for projects addressing land degradation

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<sup>3</sup> Each SGP country programme was asked to report on the number of species under protection. When aggregated globally therefore, this figure may include some double counting of species that may have been protected in more than one country.

issues. This trend is reflected in the fact that in the last reporting year alone, nearly a quarter million hectares of land – that is more than the target for the entire OP5 - were brought under sustainable management. Thus, so far, the increase in projects has more than doubled the original target, leading to over 300,000 hectares under improved land practices in year 3 of OP5. This trend confirms the findings of the global SGP evaluation, which notes the exceptional growth of the LD portfolio since 1992.

Secondly, there has been significant community interest in SFM activities, despite the limited resources that an absence of a dedicated forestry convention entails. Nevertheless, 119,620 community members adopted sustainable land and forest management practices during the third year of OP5, amounting to 4 times as many people as targeted for the entire operational phase. This is an indication that SGP projects are reaching more community members than expected, probably due to the participatory and demand-driven nature of SGP. With proposed scaling up and increased resource flow, the number of community members reached is expected to further increase over the coming years.

## SUSTAINABLE FOREST MANAGEMENT

Sustainable Forest Management is an important, cross-cutting element for the achievement of OP5 objectives in biodiversity conservation, sustainable land management and climate change mitigation. The SFM portfolio thus comprises a highly diverse set of project types as funding is drawn from other related focal area resources and aim at: *i) increasing ecological connectivity and improving forest biodiversity values at landscape levels; ii) promoting good management practices in community and small holder forestry and rangelands, and iii) management of woodlots and protection of communal forest zones for medicinal and educational purposes.*

In line with insights from previous OP5 years, the key lesson in the management of forests is that communities prefer participatory, joint management processes that ensure that communities, in addition to state and local authorities, have access and management rights to communal resources. Communities thus continue to concentrate on projects that result in the preparation of communal implementation, management and utilization plans, with an increasing focus on non-timber forest products (NTFPs). These shared management plans increasingly include access and benefit-sharing considerations. In the 2013-2014 reporting year, community demand for SFM projects was strongest in Africa where 69% of the projects were implemented, followed by Asia and the Pacific where 19% of the projects took place. SFM projects in the remaining regions amounted to 12%. More than 203,000 hectares of forest land were restored with improved management practices.

## INTERNATIONAL WATERS

The International Waters focal area addresses sustainable development challenges faced by countries sharing transboundary surface, groundwater, and marine systems. SGP continued to support the implementation of regional Strategic Action Programmes (SAPs), and aligned its international waters programming with regional priorities in 29 international water bodies. During OP5, the international waters portfolio focuses on: *i) conservation and rehabilitation of coastal or freshwater ecosystems and habitats, particularly mangroves, seagrass, coral reefs and other coastal habitats as well as integrated river/lake community areas; ii) prevention and reduction of land-based pollution, such as solid waste, sewage, waste water, and agricultural waste etc; iii) freshwater resources management; and iv) fisheries, land and forest and other natural resources management.*

During the reporting period, SGP funded 68 international waters projects, of which more than two thirds of the projects (68%) were requested and implemented by communities in Asia and the Pacific and Africa. As a result, around 511,446 tons of land-based pollution was avoided; 80,728 ha of marine and coastal areas or fishing grounds was put under sustainable management; and 14,508 ha of river and lake basins now apply sustainable management practices. In addition, efforts have been undertaken to identify opportunities for cooperation between SGP and full-sized projects (FSPs). During the reporting year, the project “Implementing Integrated Land, Water and Wastewater Management in Caribbean SIDS,” a project that is jointly implemented by UNDP and UNEP,

budgeted USD 1m for SGP activities. IW:LEARN, the GEF International Waters Learning Exchange and Resource Network, also includes a community component for which SGP will serve as a delivery mechanism.

## CHEMICALS

For OP5, the chemicals focal area consolidated and expanded its work on persistent organic pollutants (POPs) and ozone layer depletion, while initiating work on mercury. Remaining the smallest focal area, the chemicals portfolio focused its activities on: *i) avoidance of open burning of solid waste; ii) organic farming and pesticide management in agriculture; iii) reduction of chemicals usage and contamination through innovative alternatives; and iv) capacity development, awareness raising and knowledge sharing.*

During the reporting period, 60 chemicals projects were actively implemented, half of which took place in Africa. Technical guidance was provided on the expansion of the SGP focal area from “persistent organic pollutants” to “chemicals,” including e-waste, mercury and other heavy metals, lead, plastics and solid waste. Priority countries for artisanal small-scale gold mining (ASGM) have been identified and guided to pilot possible projects to reduce or avoid the use of mercury in ASGM. SGP continued its partnership with IPEN, and participated in IPEN’s International Toxic Metals Skillshare workshop in October 2013.

This portfolio has generated some promising experiences and lessons learnt in piloting and testing innovative approaches to chemicals management at the community level. As a result, 397 tons of pesticides were avoided or reduced through organic farming; more than 5,700 tons of solid waste was prevented or reduced through waste management or recycling systems; 146 tons of harmful chemicals were avoided; and 445 tons of e-waste were collected or recycled through better management systems.

## CAPACITY BUILDING

SGP has consistently supported CSOs and CBOs to build their capacities in the GEF focal areas, and has included capacity development as a cross-cutting element in virtually all projects. SGP is thus one of the main and foundational contributors to capacity development in the GEF. For OP5, SGP created a designated focal area for capacity development (CD) in alignment with the GEF Capacity Development Strategy. This measure allows SGP to go beyond capacity building for specific projects and promote capacity development at the broader portfolio and programme level. The increased emphasis on capacity development seeks to strengthen the capacities of stakeholders to *(i) effectively engage in processes to handle environmental sustainability issues; (ii) generate, access and use information and knowledge; (iii) develop policy and legislative frameworks; (iv) implement and manage global convention guidelines; (v) improve grantee project management skills and (vi) monitor and evaluate environmental impacts and trends.*

During the last reporting period, 49 country programmes took advantage of these grants and completed 51 programme-level CD projects, building the capacities of local civil society through 60 knowledge fairs, 142 stakeholder workshops, 75 M&E workshops and 72 initiatives to enhance knowledge management at the community level. In total, these activities strengthening the capacities of 1,420 CSOs and 1,126 CBOs and 94,301 people to address global environmental issues at the community level. Other strategies SGP country programmes used to strengthen civil society organizations, included supporting grantee networks, organizing training on technical issues and project implementation, and promoting peer-to-peer exchanges. In view of promoting sustainability, scaling up impacts, and securing multi-sectoral collaboration, significant effort was also put into linkages with experienced NGOs, government extension services, academia and research facilities, development practitioners and the private sector.

# ASSESSMENT OF IMPLEMENTATION PROGRESS

## PROGRESS OF OP5

Overall SGP progress in OP5 continues to be satisfactory. During the reporting year SGP's key directions were further defined in terms of the GEF's Programming Directions in GEF 6. A paper on "SGP: Implementation Arrangements in GEF 6" was approved by the GEF Council in May 2014, which laid out the broad parameters for operations and programming of SGP in OP6, as well as the continuation and improvement of the upgrading policy.

The Upgraded Country Programme (UCP) teams met in Merida, Yucatan, at the end of October 2013 to discuss key strategic issues related to the upgrading process, the current status of the country programmes and lessons learned for future application. SGP country programme teams from El Salvador, Uruguay, and Venezuela also joined the workshop to share experiences. Participants discussed ways to technically improve grant project development, how to increase the potential for scaling up of successful practices and systems, and ways to enhance the influence and impact of country programmes through improved structure and operations. Experience gained in implementation of landscape strategies was also discussed as a key design element of SGP in future.

A workshop on planning and design of the next operational phase of SGP was held in June 2014 with participation of some SGP National Coordinators from different regions, CPMT staff, GEF Secretariat, UNDP and UNOPS. Experts from UN Women and the UNDP Gender Team also shared their expertise. The workshop allowed an opportunity for exchange of experience and ideas to reach a common vision of SGP's approaches in OP6. Several task forces were established to continue the design and elaboration process. An SGP Project Identification Form (PIF) for the 6th Operational Phase was subsequently submitted for GEF Council review in August 2014.

The Joint Evaluation of SGP by the Independent Evaluation Offices of the GEF and UNDP was ongoing during the reporting year. SGP staff at HQ and in country programmes, including Upgraded countries, continued to furnish information and data as required, and provide support as needed for site visits. The findings and recommendations of the first phase report of the Evaluation issued in October 2013 have been discussed and reflected on both at HQ and at country level. The initial recommendations have also been followed up and included in the key directions for OP6.

## PROGRAMME PARTNERSHIPS

In OP5 SGP's programme level co-financing of USD 52.5m is considerably higher than in previous SGP phases and includes significant global or national level donor funded projects, which are channeling resources through SGP. This reflects an increased interest and reliance on SGP as a tried and tested mechanism for delivery of grants to CSO and CBOs, and for engagement of civil society and promotion of CSO-government dialogue.

In addition to resource mobilization, SGP's global level programme partnerships are important because they expand SGP's strategic reach by enabling it to address linked and complementary issues of priority (e.g. climate change adaptation, and reduced emissions from deforestation and land degradation) tackle key constraints and capacity barriers (e.g. environmental governance and NGO capacity building), to scale up SGP interventions and experiences through a landscape scale focus, and to enable further attention and policy support for critical areas where SGP has a demonstrated niche (e.g. ICCAs).

Donor funded initiatives are also important tools for expanding the scope of SGP's work at the national level in many countries. In these cases, such partnerships are enabling an expansion of SGP's work and greater synergies to be achieved by using SGP as an implementation and delivery mechanism. This is the case in Cameroon (with funding from the Africa Adaptation Programme), in Mauritania (with EU funding for climate change activities), in Tunisia (with Swiss funding related to several GEF focal areas), and in Cambodia (with SIDA funding to support projects on community-based adaptation), to name but a few examples.

## KNOWLEDGE MANAGEMENT AND COMMUNICATIONS

Each country programme works directly with communities on (i) *organizing training workshops*; (ii) *capturing their lessons learned*, and (iii) *conducting knowledge exchanges and other forms of knowledge transfer, sharing and learning*. During the reporting year, SGP country programmes conducted 2,319 training sessions and 1,619 peer-to-peer exchange missions to promote technology transfer and learning within and between projects. Country programmes produced 417 fact sheets and case studies, 564 reports and brochures, as well as posters, banners, and flyers in local languages. Around 340 videos, which remained another popular tool to spread good practices or raise awareness, were also produced.

On the global level, SGP continued to produce and share valuable information with different audiences, including the GEF and its implementing agencies, UNDP, donors, national governments, SGP country programmes, NGOs, and CBOs, among others. During the reporting period, SGP further advanced global learning through grantee networks, national workshops, and international conferences, contributing to the UNFCCC COP19, the UNCCD COP11, and a MEDPAN workshop, among others. SGP launched a publication on youth engagement in climate change (“Empowered Generation: Youth Action on Climate Change through the GEF Small Grants Programme”) and created 10 guidance notes for national coordinators on transboundary water projects.

CPMT also piloted a new knowledge sharing platform (“CommunitiesConnect”) to share experiences with other civil society organizations, and continued to enhance its redesigned website ([www.sgp.undp.org](http://www.sgp.undp.org)), receiving 350,442 visitors, of whom more than a quarter million were new visitors (264,316), and clocking nearly one million (930,427) page views to date.

## LIVELIHOODS AND SUSTAINABILITY

During the reporting period, SGP country programmes continued to focus on strengthening sustainable livelihoods related to the GEF focal areas. Of the 1,097 projects completed during the reporting year, 773 (70.5%) directly improved livelihoods through income generation, enhancing food security, improving access to technologies, markets, finances, and infrastructure, as well as improving levels of education and health.

Other important strategies included seeking legislative protection, developing sustainable management and revenue generation mechanisms, promoting community capacity and ownership, developing institutional and technical capacities of NGOs and CBOs, building networks and linking with national priorities and plans, MSPs and FSPs. To further project sustainability learning, knowledge fairs, peer-to-peer exchanges and stakeholder workshops were also successfully employed, while media exposure and visibility was used not only to raise awareness and spread good practices but also to attract potential donors.

## REPLICATION, SCALING UP AND POLICY INFLUENCE

Replication, scaling-up and policy influence are aspects of the positive and significant effects of SGP grants beyond the project timeframe. During the last reporting year, 174 or 16% of the 1,097 projects were immediately replicated or scaled up, while 101 (9%) projects achieved policy influence within the same year of completion.

SGP country teams, the NSCs, grantee-partner networks and allied CSO networks have served to disseminate community innovations to the district, regional or national levels. SGP’s role is thus to demonstrate successful project innovations, pioneered and tested at the community level, to a wider set of stakeholders and to establish networks and partnerships to mobilize resources and assist project proponents to gain access at regional and national levels.

## KEY CONSTITUENCIES

### GENDER

During the reporting period, SGP's global and national strategies to promote gender equality and women's empowerment continued to show promising results. Approximately 672 projects out of the 1,097 projects or 61% completed last year included gender mainstreaming, addressing gender considerations for both men and women in their project design and implementation. Of the projects completed during the reporting period, 371 or 34% were led by women, meaning they had a woman as project manager or were led by a women's organization. Twenty-eight country programmes each completed 10 or more gender-responsive projects. Five or more gender-sensitive projects were implemented in each of 48 countries. According to a survey conducted earlier in the reporting year, NSCs employ a number of strategies to achieve gender balanced projects, most prominently supporting the active participation of women throughout the project cycle (92%), nominating a designated focal point for gender issues on the NSC (88%), and integrating gender criteria upfront into project proposals (52%). Training as well as partnering and networking with women's organizations also play an important role.

### YOUTH

During OP5, youth were identified as a priority group for SGP programming, as current and future actors and stakeholders in environmental protection and sustainable development. To mainstream youth perspectives in the project review and implementation cycle, SGP adopted a policy to designate a youth focal point in each NSC. During the reporting period, 61 or 48% of the SGP country programmes had at least one completed project involving youth, meaning that 339 or 31% of all projects completed had youth leadership or participation. Twenty country programmes each had with five or more projects engaging youth and children. Key activities involving youth mainly focus on environmental education and awareness raising, piloting and testing new technologies, biodiversity conservation, reforestation and sustainable waste management.

### INDIGENOUS PEOPLES

During the reporting period, some 185 SGP projects were completed with indigenous peoples' organizations (IPOs), of which 96 reported working in local languages, representing an increase for both from the previous reporting period. Thirteen SGP countries each had over 5 SGP projects completed with IPOs. These country programmes undertake specific measures to reach indigenous communities and ensure their active participation. Popular strategies include partnering with IPOs, nominating a specific NSC focal point with expertise in IP issues, supporting IPs with ICCA mapping and conservation, and promoting networking and project linkages at all levels.

### OTHER EFFORTS TO PROMOTE SOCIAL INCLUSION

Beyond the priority groups discussed above, SGP puts considerable effort into promoting social inclusion of ethnic, religious or linguistic minorities, the elderly, and the disabled and sick. During the reporting year, Africa had the highest number of country programmes reporting on special needs considerations in their projects.



## MAIN CHALLENGES FACED BY COUNTRY PROGRAMMES

Since SGP operates in many different regions and contexts, country programmes face operational challenges linked to specific geographical, climatic, cultural, political or social factors. By far, the most frequently encountered *operational challenges* are the complex nature of working with CSOs (55%), remoteness of SGP project location and operational problems (39%), partnership development challenges (38%) and other administrative issues (32%). In addition, almost one third of the countries report challenges with the NSC.

As for *programmatic* challenges, for more than half of the programmes (56%), a weak civil society is a major challenge, followed by civil society's weak networks with governments and other actors at the local and regional level (49% and 40% respectively). This underscores SGP's important Grantmaker+ services in developing capacities of communities and civil society organizations, thus paving the way for stronger civil society engagement. Other common challenges relate to reaching priority groups, high gender inequality and language barriers. On the *project* level, weak capacity and limited networks of communities and CSOs affected project implementation in more than one third of the country programmes. NCs deemed increased funding to build civil society capacity and direct peer-to-peer exchange as the most helpful means to overcome these challenges.

## SOLUTIONS AND OTHER MITIGATION ACTIONS UNDERTAKEN BY COUNTRY PROGRAMMES

SGP country programmes have employed various creative strategies to overcome challenges and obstacles; capacity building and knowledge management are two of the most critical processes to manage the complex nature of work with CSOs and communities. SGP staff and NSC members invest considerable time and effort to provide informal training, mentoring and guidance throughout the project cycle. A number of NCs have also successfully implemented standalone capacity development projects, which were introduced in OP5, to empower CSOs and communities, especially priority groups such as indigenous peoples, women, and youth. Other solutions included providing project proposals and reporting materials in simple formats and vernacular languages, running trainings sessions, devising collaborative arrangements and technical partners, creating knowledge exchange platforms and promoting networking and partnerships on all levels. In addition, CPMT provides technical training and guidance for new NCs.

# ASSESSMENT OF MANAGEMENT PERFORMANCE

## MONITORING AND EVALUATION

Strengthening monitoring and evaluation continued to be a priority for SGP during the third year of the 5th operational phase. According to a recent joint evaluation report conducted by the GEF and UNDP Independent Evaluation Offices, SGP had made considerable progress in implementing the recommendations under Council Decision GEF/ME/C.32/2 (and related decisions) since 2008, including a clear move towards results-based management, great improvement in the database and the introduction of a global reporting system through an annual monitoring report. Improvements in the Country Programme Strategy (CPS) framework, staff and country programme performance tracking, preparation of M&E training and guidance material, creative use of networks, and NSC visits to collect data were highlighted as well. During the last reporting year alone, 93% of all country programmes conducted M&E missions – which usually combine visits to multiple projects - and many integrated M&E training into capacity building activities.

Despite these achievements, however, there is recognition that SGP's monitoring and evaluation systems needs to be further refined. Adjustments need to be made to take into consideration the challenging nature of conducting M&E in a global, highly diverse multi-country programme such as SGP, and simplifying SGP's current indicator and target framework to suit local monitoring capacities and global reporting requirements. In preparation for OP6, SGP is in the process of developing simplified, meaningful indicators that reflect SGP's new multi-focal project

components as units of measurement, and recognize SGP's unique contribution in process-oriented activities (Grantmaker+) as part of a general overhaul of its M&E framework.

## PARTNERSHIPS

During the reporting year, SGP continued to be involved in a range of partnership programmes and projects, with many of these being delivered through SGP. Among the notable partnerships implemented by SGP in the past year is the ongoing Community Based Adaptation (CBA) programme, funded by the Department of Finance and Trade of Australia, which supports climate change adaptation, mainstreaming and upscaling activities in SIDS and in several countries in the Mekong and Asia/Pacific region. The past year saw steady progress across all four regions involved in the CBA programme. In January 2014, a new project, Support to Community-based REDD+ (CBR+) was launched as a partnership between UN-REDD and SGP in 6 pilot countries. Currently participating countries are engaged in preparation of CBR+ Country Strategies that will complement SGP Country Programme Strategies, while grant-making is expected to commence in the latter part of 2014.

The Community Development and Knowledge Management in the Satoyama Initiative (COMDEKS) project was extended from its original ten countries in 2011 to additional ten countries in June 2013. The project is designed to support innovations identified by communities for biodiversity conservation, promotion of ecosystem services, agro-ecosystem management and strengthening of governance systems at the landscape level. SGP also serves as the delivery mechanism for the EU-NGO Strengthening Project which supports environmental governance through the strengthening and capacity development of NGOs in 14 countries.

A major new partnership programme with USD 16m in funding from the German Federal Ministry of Environment (BMUB), the Global Support Initiative for Indigenous and Community Conserved Areas (ICCA GSI), has recently been established to scale up SGP's work in several ICCAs and to promote advocacy, legal and policy reforms and knowledge exchange. SGP was involved in significant knowledge management efforts to promote the sustainability and capture of lessons from two long running SGP partnership programmes that were completed in the reporting year – COMPACT and the World Heritage Local Ecological Entrepreneurship Programme (WH-LEEP). Activities continued with other partnerships, such as the Access and Benefit Sharing Capacity Development Initiative (in collaboration with GIZ and Natural Justice), and the ICCA Global Consortium.

## GRANT APPROVAL PROCESS

Approximately 43% of SGP country programmes reported that the time lapse between project approval and signature of MOAs is three weeks or less, 41% reported that the time lapse is within the range of 4-6 weeks, while 16% reported that the time lapse is more than 6 weeks. Given that the vast majority of the country programmes are able to move from project approval to a signed MOA, with a first tranche of funding released to the grantee, within 6 weeks, this shows that SGP procedures are efficient and facilitate quick access to grant funds.

## RISK MANAGEMENT

SGP faces both *Programmatic* risks, which have the potential to affect the ability of the programme to realize its goals, and *Operational* risks which may affect day-to-day operations and financial management of the programme. During the last operating year, SGP managed to lower some of the programmatic risks, lowering one risk from "significant" to "moderate", and two identified risks from "moderate" to "low". Much of this reduction in programmatic risks is the result of continuous consultations of the SGP team with UNDP and the GEF Secretariat in a series of meetings and exchanges designed to learn from the challenges experienced in OP5 and contribute to a more effective and sound design in OP6.

As for operational risks, UNOPS – the executing agency for SGP – continuously seeks to strengthen SGP accountability, risk management and assurance processes. SGP operational risk management envisages both

compliance and management issues, and provides assurance that the funds are disbursed as per SGP scope, and that the programme duly complies with objectives and procedures pertaining to applicable UNDP and UNOPS rules and regulations.

## FINANCIAL DELIVERY

The total expenditure over the reporting year (1 July 2013 - 30 June 2014) of GEF SGP, including the ongoing phase (OP5) as well as some ongoing commitments of prior operational phases, amounted to a total delivery exceeding USD 64m. Of this, the majority of the funding (nearly USD 62m) was drawn from the current OP5 phase funding.

## CONCLUSION

During the year 2013-2014, SGP continued to show strong performance and was able to step up project implementation as STAR II funding became available. During the last year of the current operational phase, SGP Country Programmes will further intensify activities while preparing for the upcoming GEF6 operational phase. Five countries are already in preparation to upgrade from the SGP Global Programme during OP6, while two new country programmes are expected to become operational within the SGP Global Programme in the new reporting year.

The process of elaborating and defining directions for OP6 commenced in 2013 and a number of key milestones were achieved in the reporting year. Notable among these was the preparation of the SGP Implementation Arrangements in GEF6 paper and the convening of an OP6 Design workshop in June 2014.

OP6 will comprise some of the following new key design elements: For one, SGP, UNDP and the GEF will aim for higher integration and coordination of their activities to boost impact on sustainable development and global environmental benefits. Projects will aim at targeting multi-focal area issues, while clustering projects in a comprehensive landscape/seascape approach. More focus will also be put on climate smart, agro-ecological approaches, access to low-carbon technologies and management of chemicals.

Some cross-cutting, supportive measures will be implemented to advance these goals. Firstly, SGP will expand its "Grantmaker+" services, which comprise capacity building, networking, and training – in addition to financial support. SGP will increase capacity building support for its CSO partners and focus on improvements in its monitoring and evaluation efforts. New knowledge exchange mechanisms will be designed along with upgrades of the database which provides information on more than 19,000 projects. In the meantime, SGP will continue to support its partners and prepare for these transitions during its last OP5 year.