

Global Environment Facility (GEF)

Multilateral Aid Review (MAR) Update 2013 progress rating:









MAR 2011: *Good Value for Money for UK Aid*

Progress Assessment	
Summary	Progress has been made across all three reform priority areas. Significant progress has been made to improve country ownership.
Baseline	
<p>GEF works in partnership with a number of Implementing Agencies, providing new and additional grants and concessional funding to meet the agreed incremental costs of measures to achieve agreed global environmental benefits.</p> <p>The MAR highlighted several strengths:</p> <ul style="list-style-type: none"> • The GEF fulfils a critical niche. • Establishment of the System for Transparent Allocation of Resources (STAR) supports the allocation of resources to those countries where support will have the greatest impact. • The GEF has set indicators to ensure implementing agencies achieve value for money. <p>The MAR also highlighted several weaknesses:</p> <ul style="list-style-type: none"> • Improvements in programmatic approaches and project cycle management are needed to improve efficiency of the GEF. • Improvements are required in partnership working, including improving demand driven approaches and improved working with recipient country national entities. <p>DFID's reform priorities for the MAR Update were:</p> <ul style="list-style-type: none"> • Increased support to countries in preparing programmes to maximise the benefits of GEF support – assessed under <u>partnership behaviour</u>; • Increased use of programmatic approaches to maximise impact of the GEF support – assessed under <u>partnership behaviour</u>; • Streamline project cycle management arrangements to minimise transaction costs and avoid delays in the approval process – assessed under <u>financial resources management</u>; • Improved results-based management framework with clear output targets and indicators – assessed under <u>strategic and performance management</u>. 	
Summary of Overall Progress	
<p>The introduction of National Portfolio Formulation Exercises and a pilot to increase the number of implementing agencies will support recipient countries to align GEF funding with national priorities and increase country choice of agency and therefore country uptake. This has resulted in a positive score</p>	

change under the partnership behaviour.

GEF has made reasonable progress across other reform priorities, developing a results based management framework and streamlining project cycle management, to avoid delays in the approval process.

Progress against Reform Priorities			
MAR Reform Component	MAR 2011 Score	Progress Rating	MAR Update Score, if any change
<p>Strategic and performance management GEF has continued to develop Results Based Management through a new RBM framework. Reform of the Annual Monitoring Report is now complete which will provide the GEF Council with more timely analysis of the portfolio. GEF is also implementing a number of improvements to the presentation and operational use of programme data.</p>		 Reasonable progress	
<p>Financial resources management Early evidence suggests a reduction in the average time lag from project approval to CEO endorsement, from 22 months to 18 months, but at present the time lapse for 75% of projects is unknown. Reduced agency fees have been established for all 10 Implementing Agencies; falling to 9.5% for grants up to \$10 million and 9% for grants above \$10 million.</p>		 Some progress	
<p>Partnership behaviour GEF has introduced National Portfolio Formulation Exercises (NPFES) which are voluntarily undertaken by recipient countries to align GEF funding with national priorities and strategies and also increase countries choice of agency and country uptake. To date 42 countries have undertaken an NPFE. A pilot to accredit up to 10 new GEF agencies is currently on-going. This will give recipient countries a greater choice of agencies to work with.</p>		 Reasonable progress	