



**GREEN CLIMATE FUND:
DRAFT INTEGRATED RESULTS
MANAGEMENT FRAMEWORK**

September 2019

ABOUT THIS DOCUMENT

- The document serves an **introduction** to the **draft** results management framework (RMF)
- Its **primary purpose** is to support further consultation and elicit substantive feedback from the GCF Secretariat and its partners (AEs, NDAs, other stakeholders) on the **proposed RMF concepts and processes**, including the **proposed portfolio and impact level indicators**
- This draft RMF should also be used to **support and inform the ongoing development of the GCF's sector-level strategies**
- Based on the consultation process and the final sector-level strategies, the RMF will be **further refined**, including the development of a **detailed manual** that will include methodological guidance for all indicators

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WORKED EXAMPLE

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BACKGROUND / RATIONALE FOR THE WORK

- The **initial RMF** was approved in **2014**, with the aim of enabling effective M&E of the GCF's investments and portfolio, and the Fund's organizational effectiveness and operational efficiency
- The Independent Evaluation Unit's (IEU) **2019 review of the RMF** identified several **technical and institutional shortcomings** relating to the RMF, e.g.:
 - Lack of definitions and guidance around core RMF concepts and indicators
 - Lack of clarity around how GCF is expected to contribute to paradigm shift
- The current redevelopment of the RMF was initiated partly **in response to the IEU review**, and partly **to improve the coherence and consistency** of the RMF with other GCF frameworks and policies, including the **new GCF Theory of Change** (TOC) and **sector strategies**

RMF DESIGN PRINCIPLES

- Following an inception phase, several **RMF design principles** were established:
 - **Simplicity and clarity** to support easy engagement and consistent reporting
 - **Flexibility and rigour** to allow for aggregation of context-specific results
 - An **integrated approach** to measuring **adaptation and mitigation**
 - Support **collaborative monitoring**, with clear roles and responsibilities for the GCF, AEs and an increased role for NDAs to strengthen country ownership
 - Primary purpose will be to assist in monitoring and improving **performance** – accountability reporting should ‘fall out’ of the RMF, not drive it
 - Increased emphasis on **qualitative measurement** and indicators
 - Improved measurement of **transformational change**
 - **Full alignment** should be sought with **NDCs, Paris and SDG monitoring requirements**; also seek alignment with other climate finance mechanisms
 - Clear focus on **integrating gender and social inclusion**

GCF THEORY OF CHANGE

- Developed in 2019, the GCF's new Theory of Change (TOC) sets out how the Fund will work with developing countries to drive a **rapid paradigm shift** towards a low-emission, climate resilient future, **in line with the goals of the UNFCCC and Paris Agreement**.
- The RMF is necessarily **in full alignment with the TOC**, and will serve as the Fund's main tool for **measuring progress** against the TOC, but will also support the GCF's **learning agenda** by helping the Fund and its partners to analyse **where, why and how progress is (or is not) being made** against the TOC.

GOAL

The GCF promotes paradigm shift in developing countries towards low-emission climate-resilient development pathways, in line with the goals of the UNFCCC and Paris Agreement

TOC STATEMENT

IF the GCF rapidly builds an investment environment and mobilizes resources to enable developing countries to identify, design and implement transformational climate investments
THEN developing countries will demonstrably shift by 2030 to low-emission, carbon-resilient development pathways consistent with the well below 2 or 1.5°C and global adaptation goals
BECAUSE an increasing share of climate-compatible investment will be catalyzed to deliver systemic change across the following four critical transition areas:

ADAPTATION

Built environment



Resilient infrastructure
Low emission buildings, cities & transport

Energy & Industries



Low emission & resilient power generation & energy access
Low emission industries & appliances

Human security, Livelihoods & wellbeing



Climate information & early warning systems
Health, wellbeing, livelihoods, water security
Sustainable agriculture

Land use, forests & ecosystems



Ecosystems & ecosystem services
Forests & land-use

MITIGATION

OUTCOMES

Outcome 1: Transformational planning and programming: Strengthened developing country capacity to identify, design and implement transformational climate investment and enabling frameworks to realize their NDCs, NAPs and prioritized climate actions



Outcome 2: Catalyzing climate innovation: Increased number of innovative, high-potential business models, technologies or practices demonstrated and adopted



Outcome 3: Mobilization of investments at scale: Increased mobilization of public and private finance to scale up successful, high-potential, climate-compatible investments



Outcome 4: Replication of knowledge to shift finance flows: Dissemination and uptake of good practices, methodologies and standards for transformational climate investment enabling replication and systemic change to shift finance flows



OVERVIEW OF THE RMF

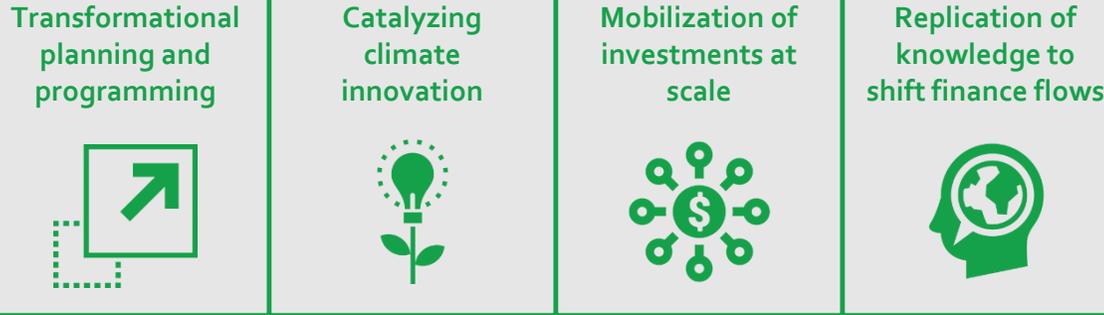
- RMF design has been **driven by – and fully reflects – the newly developed Theory of Change**, particularly its focus on the GCF's contribution to systemic change at country and global level (**paradigm shift / transformational change**)
- Redeveloped RMF **builds on the initial RMF**, including use of some **existing core and sector-level indicators**, which are already familiar to – and being applied by – AEs and other GCF stakeholders
- Redeveloped RMF **strengthens existing core indicators**, but also **introduces new measurement approaches to complement the new TOC**
- Once indicators and measurement approaches have been agreed, **detailed methodological guidance** will be developed to improve consistency of reporting
- Redeveloped RMF also **improves alignment** between GCF results reporting and the GCF's **Investment Framework**, along with critical 'external' strategies and frameworks such as NDCs, NAPs, the SDGs and the Paris Agreement

IMPACT

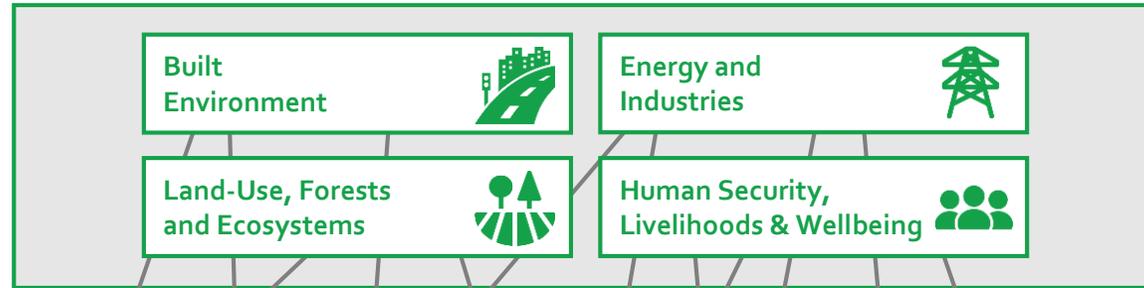
Paradigm shift / transformational change in developing countries towards low-emission, climate resilient development pathways, in line with the goals of the UNFCCC & Paris Agreement



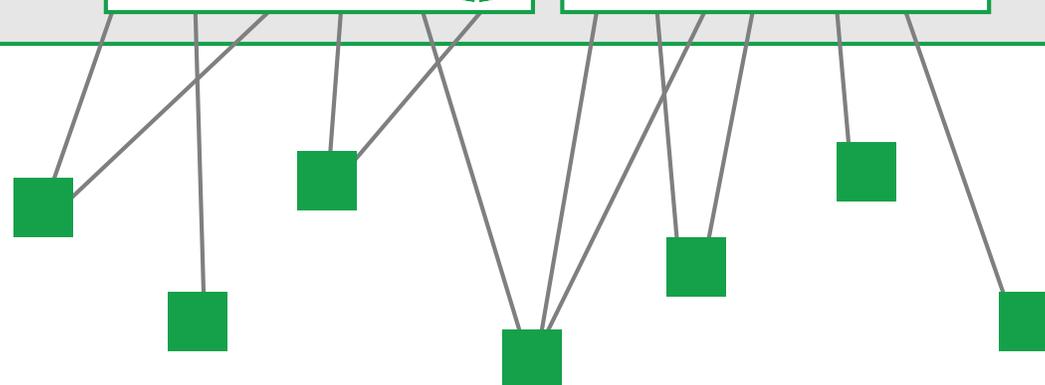
PORTFOLIO OUTCOMES



SECTOR OUTCOMES

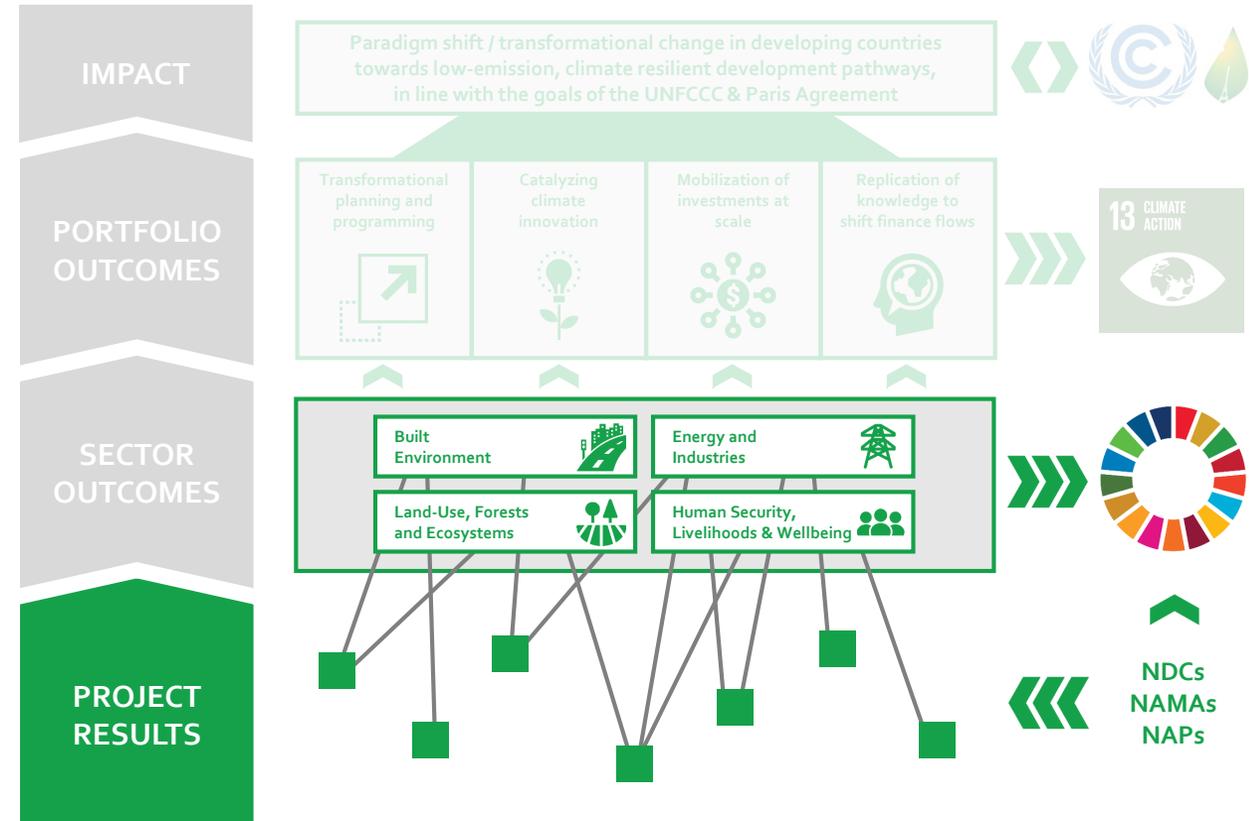


PROJECT RESULTS



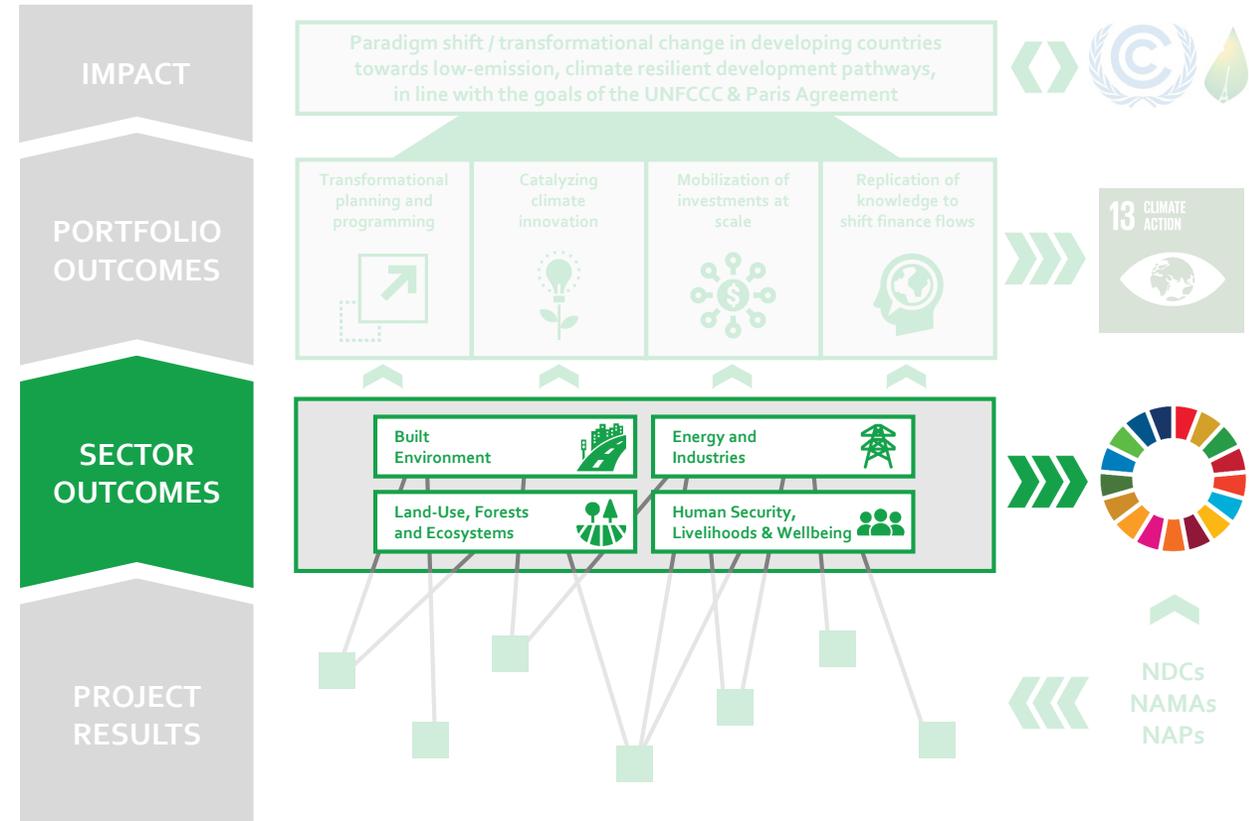
MEASURING AT PROJECT LEVEL

- Projects should be **aligned with at least one GCF sector cluster**, and will be required to measure:
 - At least one GCF sector indicator for every **sector cluster** that the project is aligned to
 - Relevant GCF indicators for **portfolio outcomes** that the project is aligned to
 - As part of their independent mid-term reviews and final evaluations, projects will assess the **extent of transformational change achieved**, to support measurement of the GCF's transformational change **impact indicator**
- So long as projects have a clear, logical link to the GCF RMF – and AEs can robustly measure progress against the above RMF elements – AEs can develop project-level TOCs, results frameworks and measurement approaches that are **aligned with their own and national priorities, programmes, systems and processes**



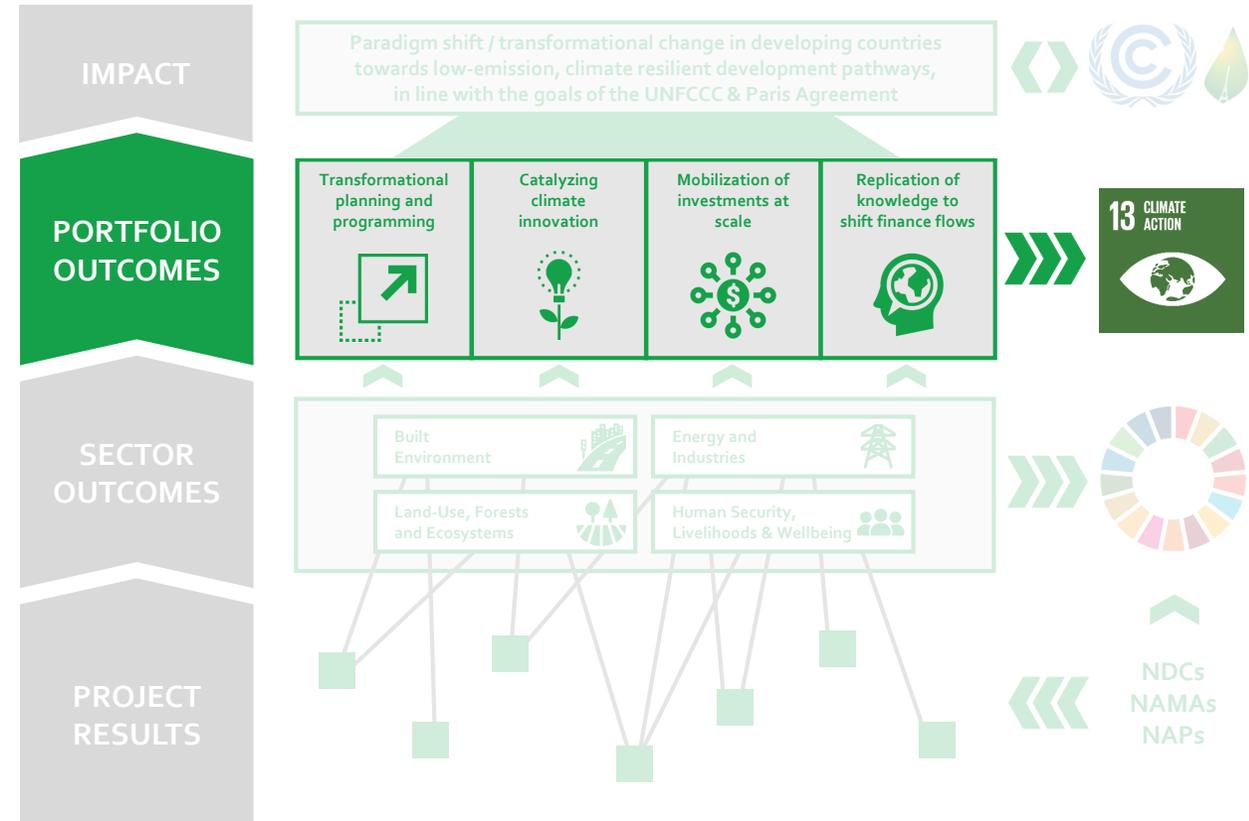
MEASURING AT SECTOR LEVEL

- The GCF's 12 sector strategies are still under development, but will eventually define **sector-level TOCs**; in turn, **sector indicators** will also be developed for the four GCF sector clusters
- Projects will be required to measure progress against at least one GCF sector indicator for every **sector cluster** that they are aligned to
- Likely that at least some sector-level indicator will be **aligned with relevant SDGs**
- Some of the core data gathered at sector-level (e.g. emissions reductions, number of beneficiaries) will ultimately **feed into some of the main portfolio and impact indicators**



MEASURING AT PORTFOLIO LEVEL

- At portfolio level, the RMF will track progress towards each of the **GCF TOC's portfolio outcomes**
- Any GCF project will need to **demonstrate alignment to at least one of these outcomes**, applying GCF-defined measurement approaches to track progress towards those results
- Some existing RMF indicators will continue to be used, but there will be a **greatly increased emphasis on qualitative measurement** at portfolio level, to support a deeper understanding as to why the GCF is (or is not) making progress towards portfolio outcomes
- This qualitative measurement will largely be undertaken through **collaborative 'scorecard' assessments** involving the GCF, AEs and NDAs
- Several portfolio outcomes and indicators are **well-aligned to SDG13 and the Paris Agreement**, and will enable the GCF to directly feed into country-level SDG reporting



PROPOSED PORTFOLIO LEVEL INDICATORS

Portfolio Outcome 1



Transformational planning and programming

Strengthened developing country capacity to identify, design and implement transformational climate investments and enabling frameworks to realize their NDCs, NAPs and prioritized climate actions

Indicator	Monitoring approach
P1.1: Country capacity to identify, design and implement transformational climate programming	Collective assessment by GCF, AEs and NDAs, using a scorecard approach
P1.2: Number of countries supported by GCF to develop national climate strategies and investment plans	Aggregation of data from APRs, Readiness Program and PPF
P1.3: Extent of country ownership of GCF investments	Collective assessment by GCF, AEs and NDAs, using a scorecard approach

NB: Proposed indicator methodologies are detailed within this document’s accompanying **indicator sheets**. The sheets also provide further detail on units of measurement, indicator definitions, rationales, disaggregation possibilities, data sources, baselines, reporting frequency, reporting responsibilities and reporting formats.

PROPOSED PORTFOLIO LEVEL INDICATORS

Portfolio Outcome 2



Catalyzing climate innovation

Increased number of innovative, high-potential business models, technologies or practices demonstrated and adopted

Indicator	Monitoring approach
P2.1: Number of CC innovations demonstrated and tested	Project-level monitoring by AEs, reported via APRs and aggregated at portfolio level
P2.2: Number of households and companies that have adopted GCF supported climate change innovations	Project-level monitoring by AEs, reported via APRs and aggregated at portfolio level
P2.3: Extent to which GCF supported institutions promote transfer/uptake of CC innovations	Collective assessment by GCF and AEs, using a scorecard approach
P2.4: Extent to which GCF supported successful CC innovations have been integrated in national policies, plans and budgets	Collective assessment by GCF, AEs and NDAs, using a scorecard approach

NB: Proposed indicator methodologies are detailed within this document’s accompanying **indicator sheets**. The sheets also provide further detail on units of measurement, indicator definitions, rationales, disaggregation possibilities, data sources, baselines, reporting frequency, reporting responsibilities and reporting formats.

PROPOSED PORTFOLIO LEVEL INDICATORS

Portfolio Outcome 3



Mobilization of investments at scale

Increased mobilization of public and private finance to scale up successful, high-potential climate-compatible investments

Indicator	Monitoring approach
<p>P3.1: Volume of finance leveraged by GCF funding</p> <ul style="list-style-type: none"> • Private finance leveraged • Public finance leveraged • Finance leveraged by sector 	<p>Project-level monitoring by AEs, reported via APRs and aggregated at portfolio level</p>

NB: Proposed indicator methodologies are detailed within this document’s accompanying **indicator sheets**. The sheets also provide further detail on units of measurement, indicator definitions, rationales, disaggregation possibilities, data sources, baselines, reporting frequency, reporting responsibilities and reporting formats.

PROPOSED PORTFOLIO LEVEL INDICATORS

Portfolio Outcome 4



Replication of knowledge to shift finance flows

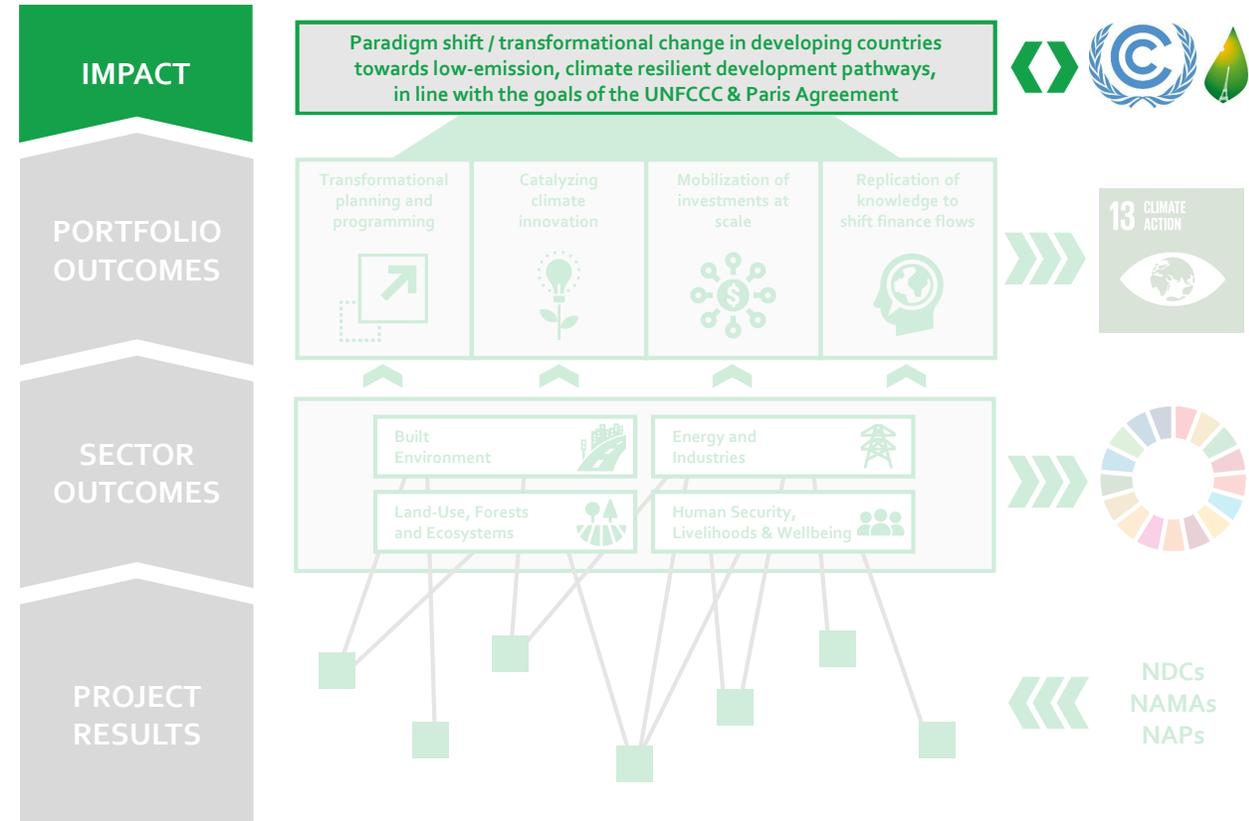
Dissemination and uptake of good practices, methodologies and standards for transformational climate investment enabling replication and systemic change to shift finance flows

Indicator	Monitoring approach
P4.1: Number of knowledge products documenting good practices, standards and methodologies	Project-level monitoring by AEs, reported via APRs and aggregated at portfolio level
P4.2: Number of people trained in good practices and innovative technologies identified through GCF investments	Project-level monitoring by AEs, reported via APRs and aggregated at portfolio level
P4.3: Extent of knowledge for transformational climate investment	Collective assessment by GCF, AEs and NDAs, using a scorecard approach
P4.4: Extent to which the GCF have facilitated knowledge dissemination and uptake around transformational climate investment	Collective assessment by GCF, AEs and NDAs, using a scorecard approach

NB: Proposed indicator methodologies are detailed within this document’s accompanying **indicator sheets**. The sheets also provide further detail on units of measurement, indicator definitions, rationales, disaggregation possibilities, data sources, baselines, reporting frequency, reporting responsibilities and reporting formats.

MEASURING AT IMPACT LEVEL

- Reporting at impact level is based on **aggregation of critical data reported 'lower' down the RMF chain**
- Four impact indicators will be applied, including **three of the original core GCF indicators**:
 - tCO₂eq reduced as a result of GCF investments
 - Cost per tCO₂eq decreased for all GCF investments
 - Number of direct and indirect beneficiaries
- The fourth impact indicator will measure the **extent to which GCF investments have delivered transformational change**. Given the context-specificity of transformational change, this indicator will be based on project-level assessments of transformational change, to be undertaken as a **core part of every project's independent mid-term review and independent final evaluation**. Ratings from these project-level assessments will then be aggregated to provide a portfolio-wide view.



PROPOSED IMPACT LEVEL INDICATORS

Impact



Paradigm shift / transformational change in developing countries toward low-emission, climate resilient development pathways, in line with the goals of the UNFCCC and Paris Agreement

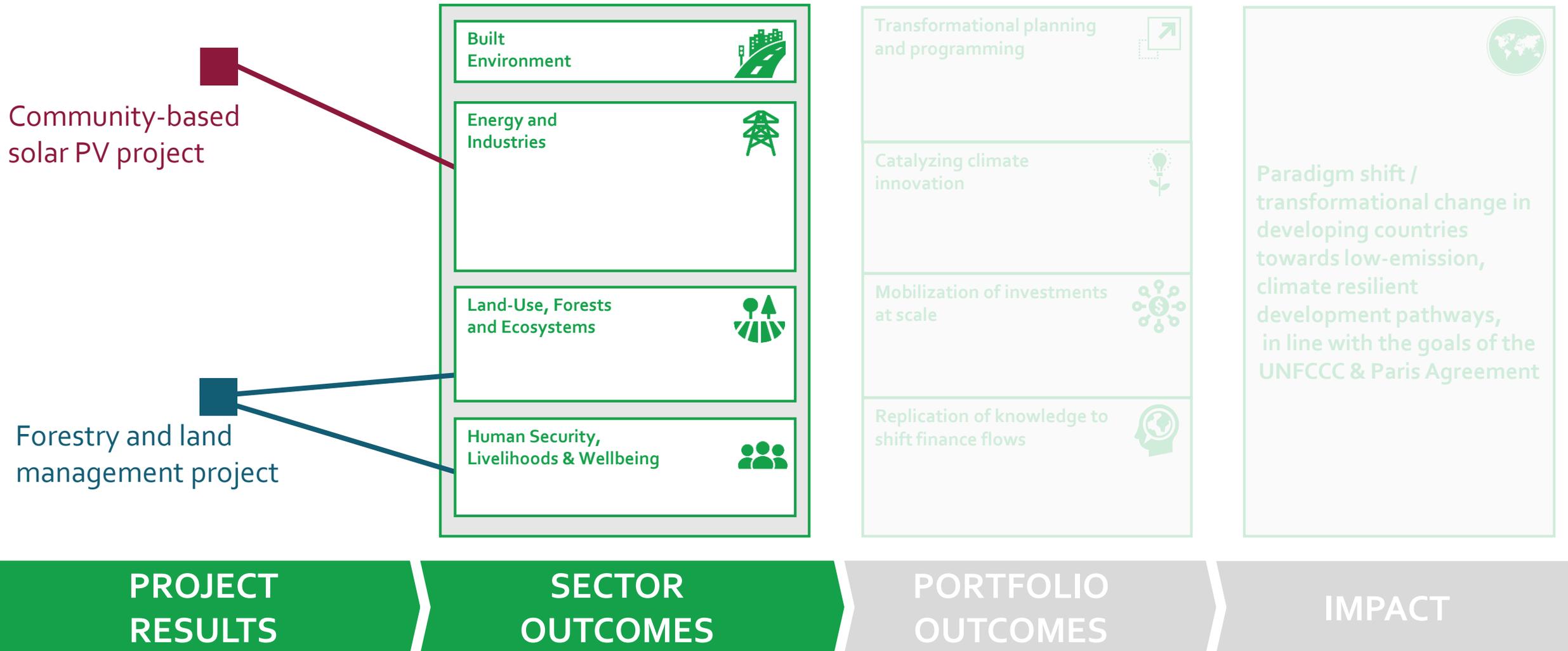
Indicator	Monitoring approach
I1: Tonnes of carbon dioxide equivalent (tCO ₂ eq) reduced as a result of GCF investments	Project-level monitoring by AEs, reported via sector-level indicators, then aggregated by GCF at portfolio level
I2: Cost per tCO ₂ eq decreased for all GCF investments	Project-level monitoring by AEs, reported via sector-level indicators, then aggregated by GCF at portfolio level
I3: Total number of direct and indirect beneficiaries	Project-level monitoring by AEs, reported via sector-level indicators, then aggregated by GCF at portfolio level
I4: Extent to which GCF investments have delivered transformational change in developing countries	Project-level ratings undertaken as part of independent mid-term reviews and final evaluations, ratings then aggregated; Supported by collective assessment by GCF, AEs and NDAs

NB: Proposed indicator methodologies are detailed within this document’s accompanying **indicator sheets**. The sheets also provide further detail on units of measurement, indicator definitions, rationales, disaggregation possibilities, data sources, baselines, reporting frequency, reporting responsibilities and reporting formats.

WORKED EXAMPLE

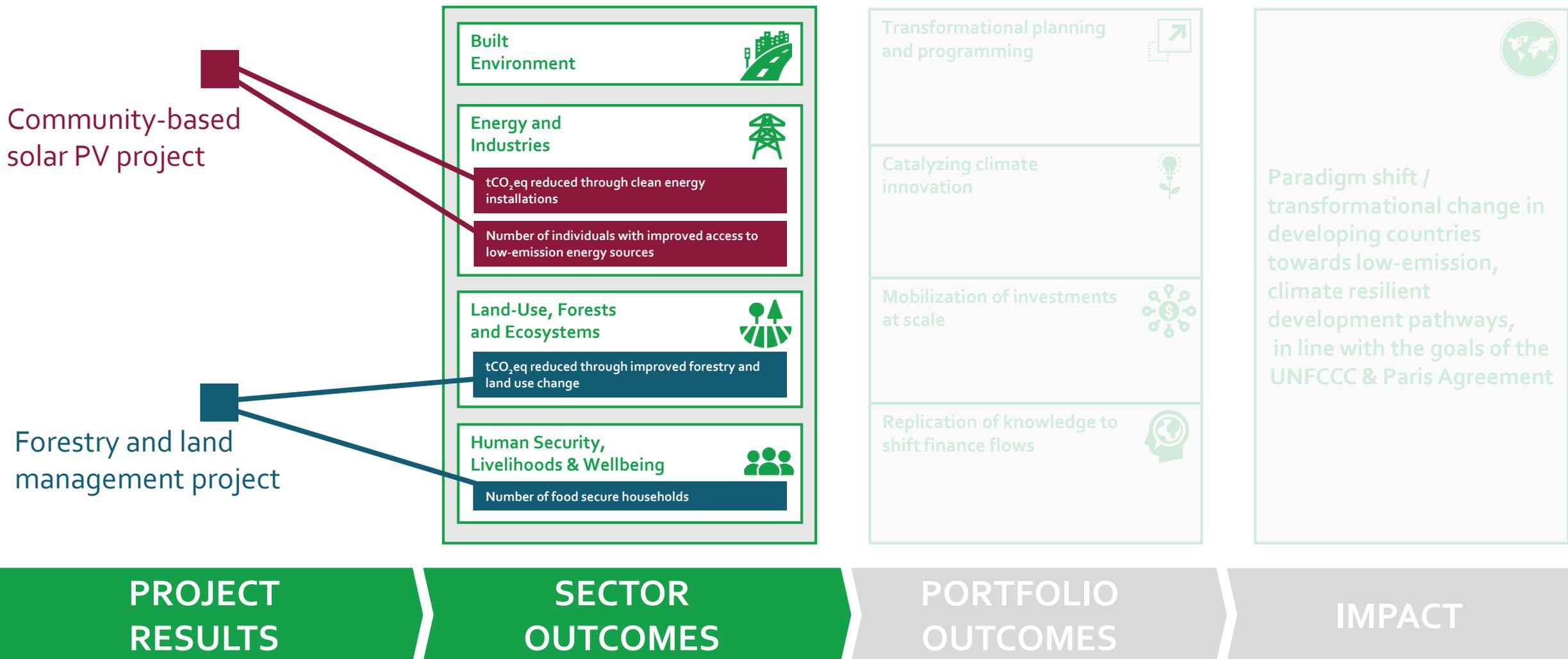
- The following example illustrates how the RMF will be applied in practice, using two sample projects to demonstrate **how project-level data is fed into the RMF results chain**, how that **data is aggregated**, and to outline some key **roles and responsibilities** of stakeholders involved in GCF results monitoring

Projects identify which GCF **sector clusters** they are aligned with...

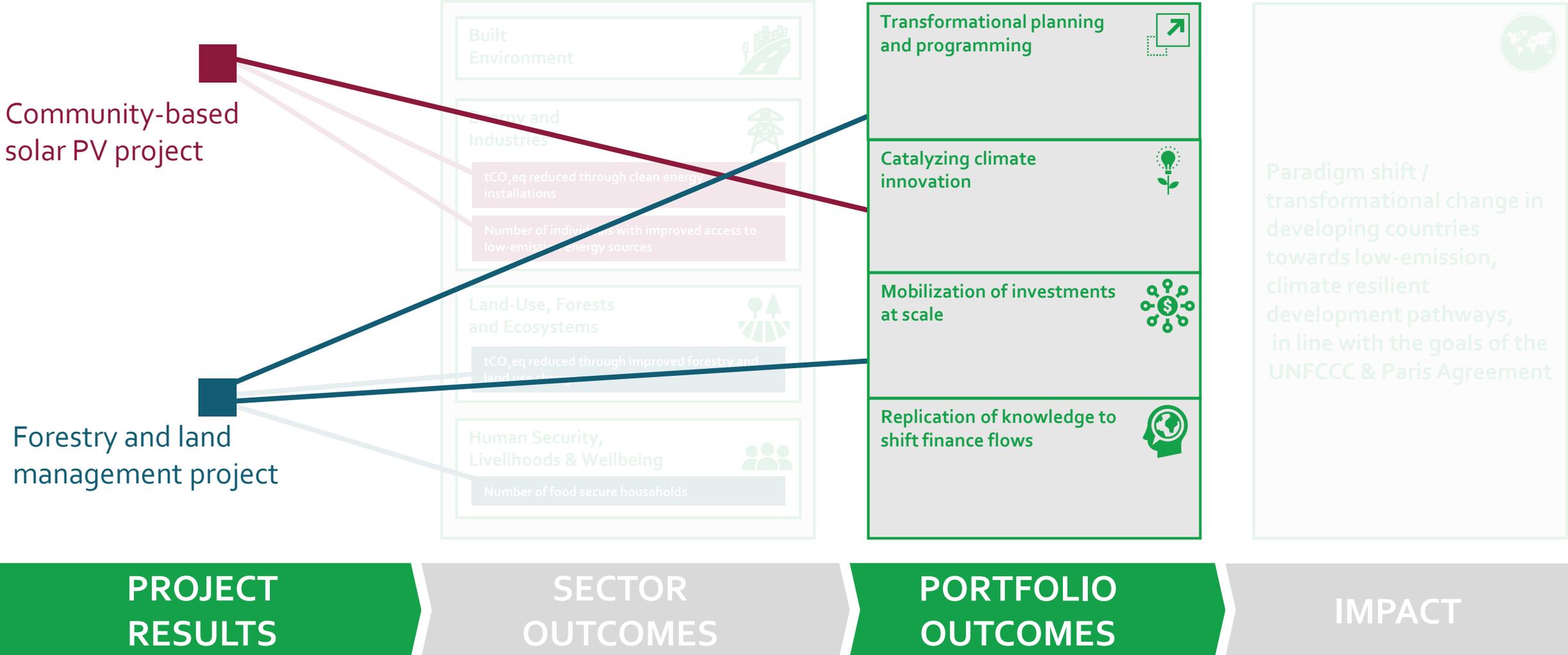


Projects identify which GCF **sector clusters** they are aligned with...

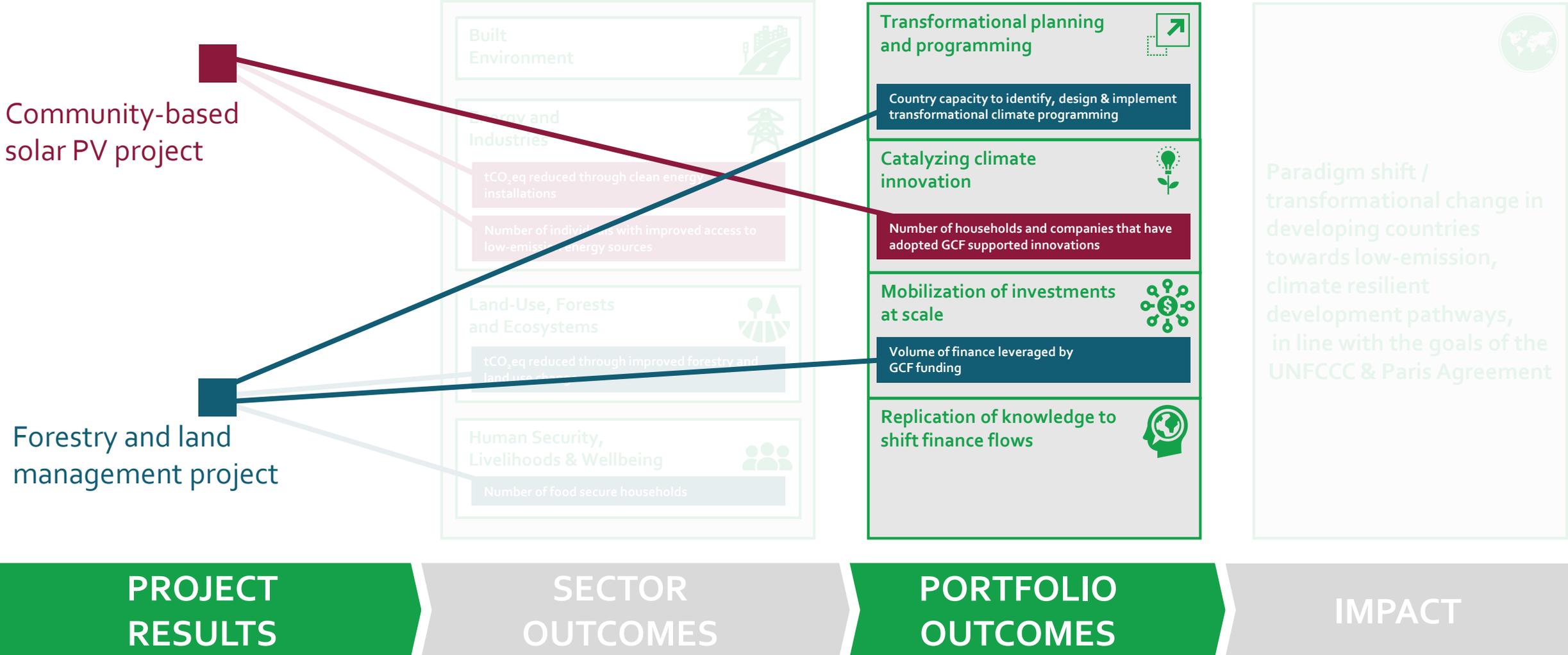
Then measure against **at least one GCF indicator** for each sector cluster (likely to be a 'basket' of 2-4 indicators per sector cluster that projects can select from)



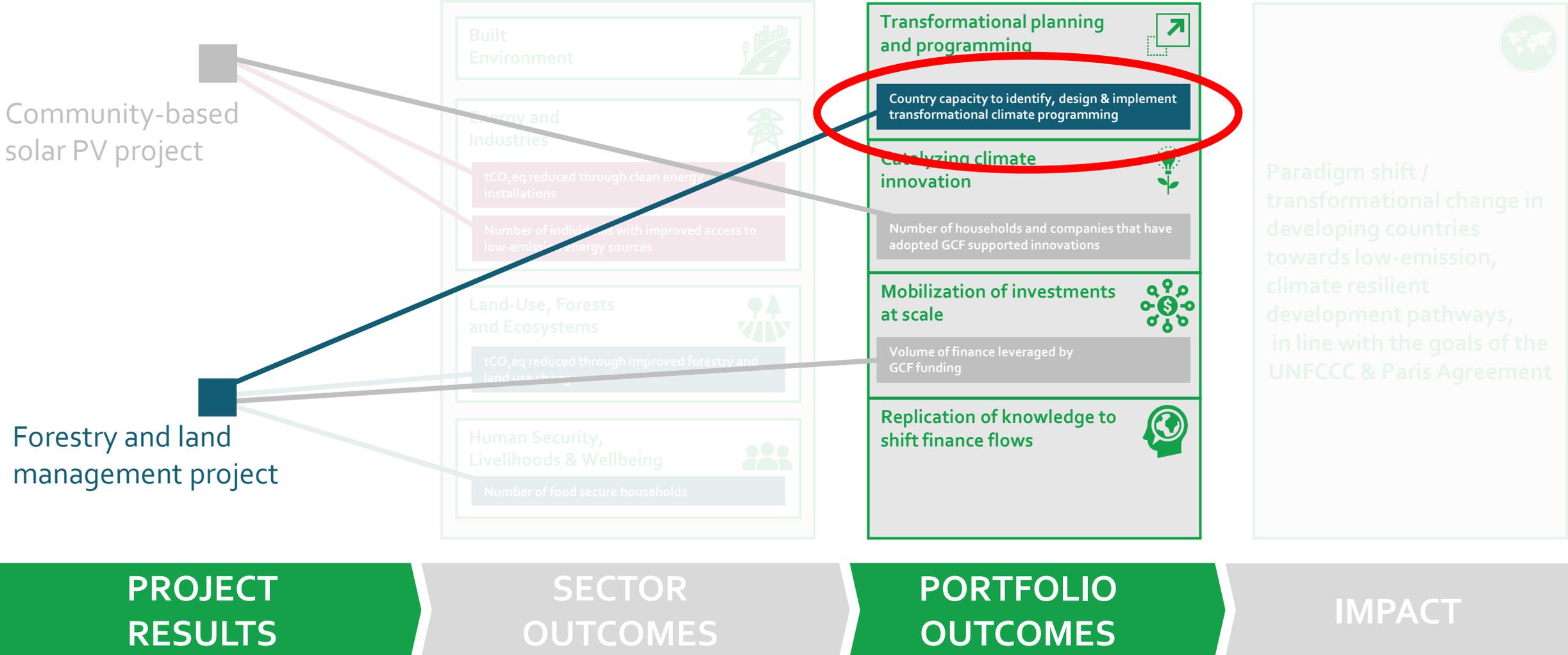
Projects also identify at least one **portfolio outcome** that they are aligned with...



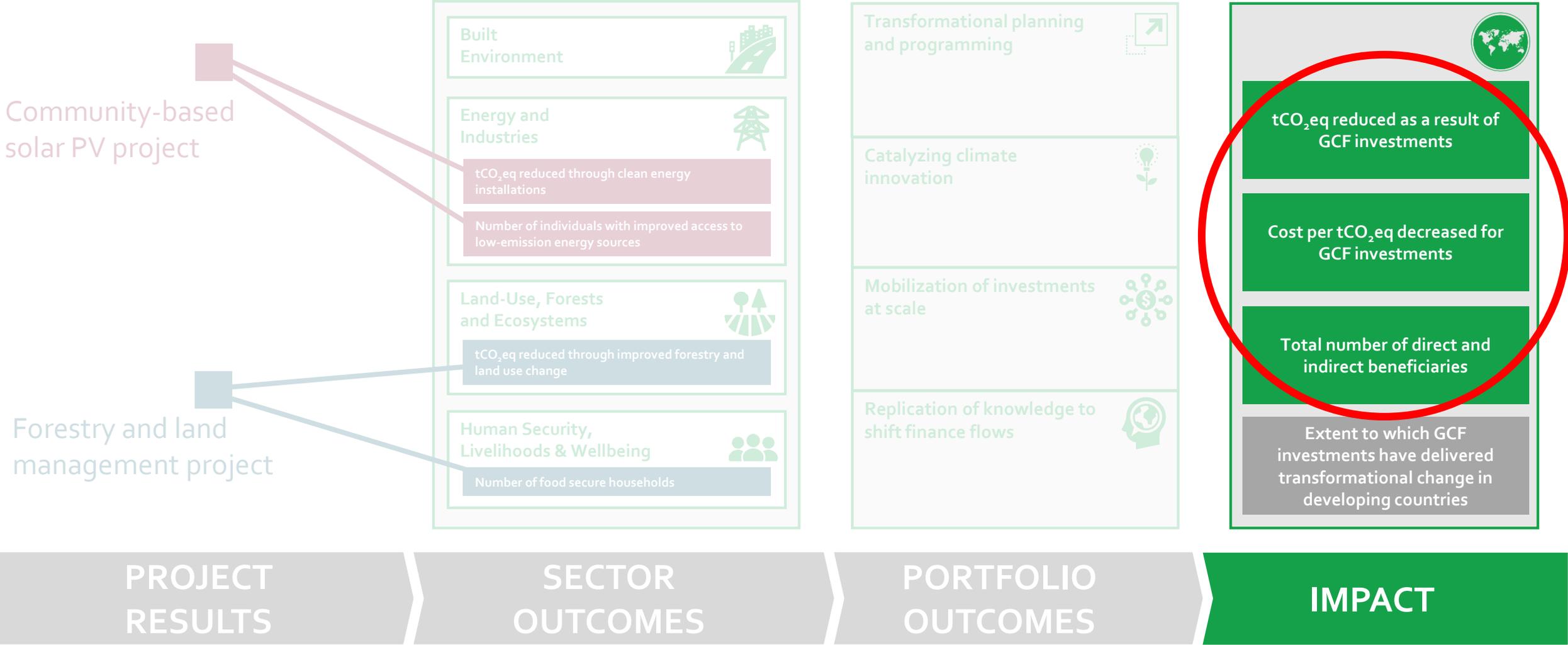
Projects also identify at least one **portfolio outcome** that they are aligned with...
Then measure against **at least one GCF indicator** for each portfolio outcome...



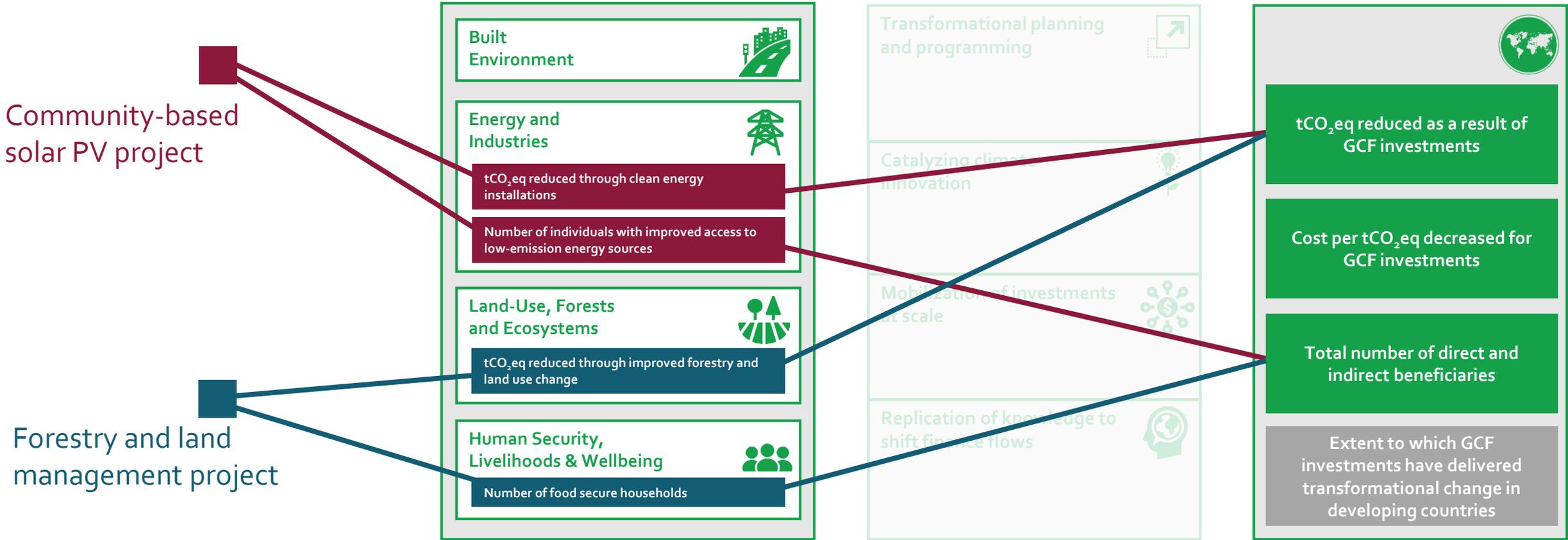
Projects also identify at least one **portfolio outcome** that they are aligned with...
 Then measure against **at least one GCF indicator** for each portfolio outcome...
 Several qualitative portfolio indicators are **scorecard** based, so projects / AEs will be required to participate in **annual, country-level collaborative scorecard assessments**



At impact level, three of the four impact indicators are **quantitative**...



At impact level, three of the four impact indicators are **quantitative**...
 These impact indicators are measured through **aggregation of data collected via mandatory, sector-level indicators**



PROJECT RESULTS

SECTOR OUTCOMES

PORTFOLIO OUTCOMES

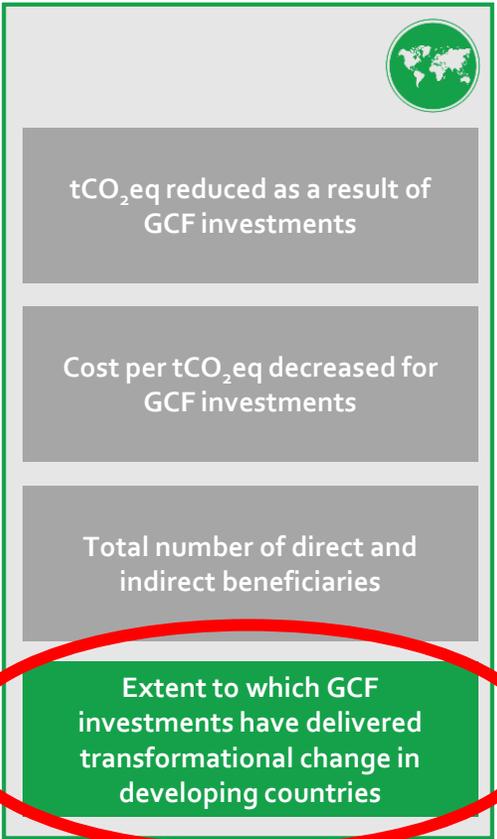
IMPACT

The fourth impact indicator is **qualitative**, measuring the extent of the GCF's contribution to **transformational change**, as defined through a series of **drivers of change**.

The indicator provides a **headline rating** of GCF performance, against a four-point scale (ranging from 'no transformational change' to 'high degree of transformational change')

Community-based solar PV project

Forestry and land management project



PROJECT RESULTS

SECTOR OUTCOMES

PORTFOLIO OUTCOMES

IMPACT

This **headline rating** is calculated through aggregation of **project-level ratings**...


Community-based solar PV project


Forestry and land management project

Built Environment 
Energy and Industries  tCO ₂ eq reduced through clean energy installations Number of individuals with improved access to low-emission energy sources
Land-Use, Forests and Ecosystems  tCO ₂ eq reduced through improved forestry and land use change
Human Security, Livelihoods & Wellbeing  Number of food secure households

Transformational planning and programming 
Catalyzing climate innovation 
Mobilization of investments at scale 
Replication of knowledge to shift finance flows 


tCO ₂ eq reduced as a result of GCF investments
Cost per tCO ₂ eq decreased for GCF investments
Total number of direct and indirect beneficiaries
Extent to which GCF investments have delivered transformational change in developing countries

PROJECT RESULTS

SECTOR OUTCOMES

PORTFOLIO OUTCOMES

IMPACT

In line with the GCF's **theory of change** – and to provide a deeper understanding of **where and how** the GCF is contributing to transformational change – progress towards impact will also be measured **separately** through **analysis of trends against all four portfolio outcomes and their underlying indicators...**

Community-based solar PV project

Forestry and land management project



PROJECT RESULTS

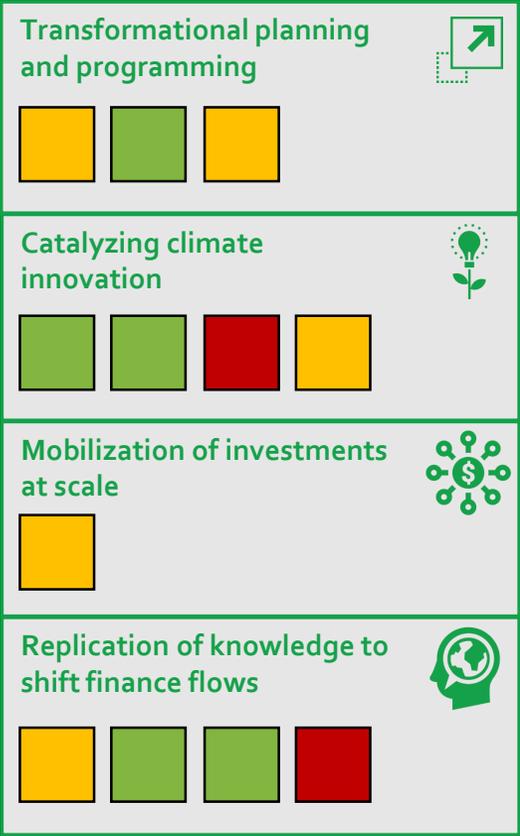
SECTOR OUTCOMES

PORTFOLIO OUTCOMES

IMPACT

In line with the GCF's **theory of change** – and to provide a deeper understanding of **where and how** the GCF is contributing to transformational change – progress towards impact will also be measured **separately** through **analysis of trends against all four portfolio outcomes and their underlying indicators...**

Performance will be monitored through a dashboard based on **traffic-light ratings** for each portfolio indicator, demonstrating the extent of progress towards each indicator's associated target.



Paradigm shift / transformational change in developing countries towards low-emission, climate resilient development pathways, in line with the goals of the UNFCCC & Paris Agreement

Corridor
solar PV project

Forestry and land management project

PROJECT RESULTS

SECTOR OUTCOMES

PORTFOLIO OUTCOMES

IMPACT

SUMMARY

- Redeveloped RMF based on initial (2014) RMF but **driven by new GCF theory of change and new sector strategies**; also aims to address findings of **IEU review**
- Projects will align with **at least one sector cluster** and **at least one portfolio outcome**, measuring at least one corresponding **sector indicator** and one corresponding **portfolio indicator**; otherwise AEs can develop project-level monitoring approaches that are **aligned with their own systems and processes**
- An increased emphasis on **qualitative measurement** is supported by new **scorecard-based assessments**, to be undertaken **annually at country-level**
- An increased emphasis on measuring **transformational change** is supported by **project ratings**, undertaken as part of **every independent MTR and evaluation**
- Following this consultation, **more detailed methodologies and guidance** will be developed for the RMF and its indicators



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