Draft TOR – UCP Task force

**Background**

The Small Grants Programme (SGP), a flagship corporate programme of the Global Environment Facility (GEF) implemented by UNDP, was evaluated jointly by the GEF and UNDP Independent Evaluation Offices from July 2014 to February 2020 (Third Joint Evaluation) with a focus on: (a) effectiveness; (b) innovation, upscaling and sustainability; and (c) operational and governance issues, including the upgrading process of the SGP. The term “upgrading” refers to the transition of the longest standing and most mature SGP country programmes to a new funding regime that will enable more budgetary control by country programmes and the opportunity to raise increased funding on their own[[1]](#footnote-2).

Evaluation recommendation 3 to the GEF and UNDP called for the SGP to reconsider whether it needs a continued upgrading policy. It added that “If upgrading is maintained, the SGP should rethink the means for its implementation in order to reduce the risk borne by countries and Civil Society Organizations”. It further added the following:

“*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.*”

The GEF secretariat took note of this recommendation in its management response[[2]](#footnote-3). It further committed to 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, the CSO-government relationship and potential for global environmental benefits. It added that the findings and conclusions of this review and consultations will be incorporated in forthcoming GEF-8 replenishment documents and GEF SGP Implementation Arrangements for GEF-8.

As part of its management response[[3]](#footnote-4), UNDP accepted this recommendation and committed to 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 further committed to take stock of the recommendations of the Second and Third Joint Evaluations and together with the GEF, to 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

As part of this management response, a key action was for the SGP Steering Committee to convene an upgrading task force to review upgrading criteria, implementation arrangements and operational modalities (action 3.1) by Q4 2021. This task force would then present the results to the SGP Steering Committee (action 3.2) by Q2 2022.The work conducted by the UCP task force will complement the on-going long-term vision exercise for the SGP being carried out jointly by UNDP and the GEF Secretariat to address Recommendation 1 of the Third Joint Evaluation of the SGP.

**Composition**

The task force will be comprised of relevant SGP stakeholders. Membership of the task force will include the UCP Global Coordinator, representatives of CPMT, representatives of the GEF Secretariat Policy, Partnerships, and Operations and Programs units.

A wider multi-stakeholder review group, including a number of SGP National Coordinators, GEF Council members, and UNDP Resident Representatives and other relevant stakeholders will be formed to provide further strategic guidance to the task force.

**Approach**

The proposed approach would be threefold: i) identifying risks and opportunities related to the upgrading policy; ii) reviewing current operational modalities of the upgrading policy and iii) reviewing the upgrading criteria. This approach would ultimately lead to the identification and analysis of possible options and associated recommendations for any proposed reform of upgrading policies, modalities or criteria. The approach will take into account CSO capacities, CSO-government relationships and potential for global environmental benefits. Findings and conclusions from this work will be incorporated in the forthcoming GEF-8 replenishment documents and GEF SGP Implementation Arrangements for GEF-8. They will ensure complementarity with the on-going exercise to develop a long-term vision for the SGP being jointly carried out by UNDP and the GEF secretariat.

1. *Identification and analysis of risks and opportunities*

Upgrading is intended to produce benefits for SGP as a whole, both for the SGP global programme and for the Upgraded Country Programmes themselves. Upgrading allows SGP to best utilize its limited resources while extending the programme to new countries and enabling mature Country Programmes to leverage greater resources than would otherwise be the case.

The first proposed step would be for the task force to review lessons, challenges and successes in implementing the SGP Upgraded Country Programmes, based on feedback from National Coordinators, project and program evaluations, participating country OFPs, GEF partner agencies, CSOs and other key partners. Building upon the analysis conducted in the Third Joint Evaluation, this first step will allow for the comprehensive identification and analysis of risks and opportunities related to the upgrading policy.

1. *Analysis of rationale for upgrading*

Once risks and opportunities are identified, the task force will analyze the rationale behind the upgrading policy and make a preliminary assessment of the coherence between the rationale and the practice, including issues (strengths, weaknesses) related to the current criteria and implementation modalities.

1. *Identification and analysis of potential upgrading criteria and modalities*

Based on the above analysis, the task force will identify potential reforms to upgrading criteria and modalities. Each criterion and modality would be described, and implications in terms of implementation arrangements and impacts (positive and negative) would be identified and described. A table summarizing all potential criteria and modalities and their respective impacts and associated risks and opportunities will be produced (see deliverable 1 below).

1. *Recommendations*

Based on the above, the task force will ultimately be expected to formulate recommendations for the multi-stakeholder review group’s discussion and then onward to the SGP Steering Committee’s attention along with proposed next steps and associated timeline. The task force will also formulate potential recommendations to be reviewed by the Steering Committee, and onward submission by the GEF Secretariat to the GEF Council. The recommendations will consider the extent to which findings and conclusions of this work will be incorporated in forthcoming GEF-8 replenishment documents and the GEF SGP Implementation Arrangements for GEF-8. The task force will be expected to present the results of its work and associated recommendations to the SGP Steering Committee.

**Deliverables and associated timeline**

The task force will be expected to produce the following deliverables:

* Deliverable 1: summary of potential upgrading modalities and associated impacts, risks and opportunities – a draft report to be shared to the SGP Steering committee members by November/December 2021.
* Deliverable 2: presentation of the results and recommendations of the task force at the SGP steering committee – at the SGP Steering Committee to be scheduled around February/March 2022.
* Deliverable 3: Inputs for the GEF-8 implementation arrangements paper by April 2022.

**Working modalities**

The task force is expected to hold bi-weekly meetings starting from September 1st 2021 until around November when the draft report will be shared to the SGP Steering Committee. The task force will maintain online discussions via emails and videoconferences over the duration of the assignment until around April 2022.

The review group is expected to attend two meetings in total over the course of the assignment.

**Useful resources**

* SGP Joint Evaluation, 2021: <http://web.undp.org/evaluation/evaluations/thematic/sgp.shtml>
* UNDP Management Response: <https://erc.undp.org/evaluation/managementresponses/detail/13051>
* GEF Management Response: [SGP Management Response.pdf (thegef.org)](https://eur03.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.thegef.org%2Fsites%2Fdefault%2Ffiles%2Fcouncil-meeting-documents%2FSGP%2520Management%2520Response.pdf&data=04%7C01%7Chugo.remaury%40undp.org%7C54753e8d6c8044c7570308d9372fc23f%7Cb3e5db5e2944483799f57488ace54319%7C0%7C0%7C637601500894411511%7CUnknown%7CTWFpbGZsb3d8eyJWIjoiMC4wLjAwMDAiLCJQIjoiV2luMzIiLCJBTiI6Ik1haWwiLCJXVCI6Mn0%3D%7C1000&sdata=G0u9jl9Gh3u3NMJRljpr31Q%2BYDvNREbecr3BfCVmYRA%3D&reserved=0)
* SGP Joint Evaluation, 2015: <http://web.undp.org/evaluation/evaluations/thematic/sgp.shtml> (see Strengths and weakness of the upgrading policy table)
* SGP Joint Evaluations of [2008](https://eur03.safelinks.protection.outlook.com/?url=https%3A%2F%2Fwww.gefieo.org%2Fevaluations%2Fjoint-evaluation-small-grants-programme-sgp-2008&data=02%7C01%7Cdiana.salvemini%40undp.org%7C95dd96f420eb44aa46c808d7dbc748e0%7Cb3e5db5e2944483799f57488ace54319%7C0%7C0%7C637219521602630374&sdata=zi43fepzT1h%2FzHBKv1zkIuR%2FxM7ebOOohxP4lv%2FSIos%3D&reserved=0)
* [GEF SGP Implementation arrangements for GEF-6](https://www.thegef.org/sites/default/files/council-meeting-documents/GEF.C.46.13_GEF_Small_Grants_Programme_-_Implementation_Arrangements_for_GEF-6_April_30_2014_1.pdf)
* [GEF SGP Implementation arrangements for GEF-7](https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.54.05.Rev_.01_SGP.pdf)
* [SGP execution arrangements and upgrading policy for GEF-5](https://www.thegef.org/sites/default/files/council-meeting-documents/C.36.4_Small_Grants_ProgrammeFINAL_4.pdf)
* UCP Global Workshop Report, Quito

1. Please refer to [GEF Small Grants Programme Implementation Arrangement for GEF-7](https://www.thegef.org/sites/default/files/council-meeting-documents/EN_GEF.C.54.05.Rev_.01_SGP.pdf) (GEF/C.54/05/Rev.01) for details [↑](#footnote-ref-2)
2. <https://www.thegef.org/sites/default/files/council-meeting-documents/SGP%20Management%20Response.pdf> [↑](#footnote-ref-3)
3. <https://documents-dds-ny.un.org/doc/UNDOC/GEN/N21/091/16/pdf/N2109116.pdf?OpenElement> [↑](#footnote-ref-4)