

**Review of Irish Aid's
Environmental Partnerships Programme**

2009-11

Final Report

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Acronyms and Abbreviations

AU	African Union
C3D	Climate Change Development Programme
CELEP	Coalition of European Lobbies on Eastern Africa
CGIAR	Consultative Group on International Agricultural Research
CLI-DEV Africa	Climate and Development in Africa
COP	Conference of the Parties
CSP	Country Strategy Paper
DAC	Development Assistance Committee
DDG	Deputy Director General
DfID	Department for International Development
DG	Director General
EFTEC	Economics for the Environment Consultancy
ENVIRONET	DAC Network on Environment and Development Cooperation
EU	European Union
HETAC	Higher Education and Training Awards Council
IA	Irish Aid
IIED	International Institute for Environment and Development
IPCC	Intergovernmental Panel on Climate Change
IUCN	World Conservation Union
LDCs	Least Developed Countries
LDCF	Least Developed Countries Fund
LEG	Least Developed Country Expert Group
M&E	Monitoring and Evaluation
NAPA	National Adaptation Plans of Action
NGO	Non-Governmental Organisation
PAEG	Programme Appraisal and Evaluation Group
PEI	Poverty-Environment Initiative
PEP	Poverty Environment Partnership
SEPP	Strategic Environmental Partnerships Programme
SPEP	Strategic Partnerships Environment Programme
TAI	The Access Initiative
TORs	Terms of Reference
UNFCCC	United Nations Framework Convention on Climate Change
UNITAR	United Nations Institute for Training and Research
WRI	World Resources Institute

Review of Irish Aid's Strategic Environmental Partnerships Programme, 2009-2011

Executive Summary

Objectives and scope of the review

This report presents the findings and conclusions of an internal Irish Aid review of its 2009-11 *'Strategic Environmental Partnerships Programme (SEPP): Building Capacity and Supporting Sustainable Development'*.

The purpose of the review was to carry out an internal, largely document-based examination of the SEPP, in accordance with the Terms of Reference for the assignment, in order to provide Irish Aid with an assessment of the extent to which the goals and objectives of the programme were achieved, to establish the levels of satisfaction with the partners, to provide a record of the lessons learnt and to inform decisions on the future implementation of an environmental partnerships programme including on the continuation and selection of partners.

The review includes an analysis of key achievements by the partners, an assessment of the relevance, effectiveness and sustainability of the programme funding in delivering on SEPP objectives, an assessment of the relevance, appropriateness and effectiveness of current management and monitoring arrangements and recommendations for the future of the programme.

Overall Assessment

The SEPP was ambitious in its scope. It envisaged a three year project that would utilise the expertise of the SEPP partners to build capacity and an emphasis on the environment and environmental action within Irish Aid and amongst governments, communities and organisations in developing countries. This in turn would support and promote the work of partners in relation to poverty reduction both locally and at an overall international level, that would assist partners to develop the capacity of developing countries to engage skilfully, on environmental matters, with state peers in international forums which would assist partners to promote the mainstreaming of the environment in the national planning processes of developing countries and in turn assist partners to promote sustainability in the production and marketing of food.

On the basis of the evidence to hand it is concluded that the programme has performed well and that programme objectives have been substantially achieved. Programme objectives for partner inputs and outputs have been broadly achieved whilst results have been generally positive and in accordance with expectations at the commencement of the programme.

It can be said that the main partners – the International Institute for Environment and Development (IIED) and the World Resources Institute (WRI) - are now better placed, in terms of work focus and organisational structures than at the start of the partnerships programme.

The main partners have provided good and willing support to Irish Aid. It is the view that, due to capacity constraints within Irish Aid, the full potential for experience sharing and lesson learning cooperation, between Irish Aid and the partners, has not been entirely realised.

Overall, the 2009-11 partnerships programme has performed well when assessed against Irish Aid's overall objectives for the environment and the specific objectives of the partnerships programme and in accordance with criteria of relevance, appropriateness, effectiveness, efficiency and sustainability.

This review finds that the 'environmental partnerships model' is soundly based and, subject to caveats concerning Irish Aid resourcing of its environmental and climate change programme, that the approach is worthy of continuation into a further programme.

1. Introduction and Background

1.1. Irish Aid Policy Context

Irish Aid's policy on the environment is guided, in the first instance, by the White Paper on Irish Aid. The overarching objective of the White Paper is "*poverty reduction, to reduce vulnerability and increase opportunity*".

Irish Aid adopted its *Environment Policy for Sustainable Development* in May 2005. The policy document outlined an overall policy goal "*To promote environmentally sustainable development that is consistent with the economic, social and environmental needs and priorities of people in developing countries and contributes to poverty reduction*". Four supporting policy objectives were specified:

1. To raise awareness of links between environmental sustainability and poverty reduction to inform development policy;
2. To integrate principles of sustainable development into IA policies and programmes to ensure environmental sustainability;
3. To continue to engage with key Multilateral Environmental Agreements and with agencies to demonstrate commitment to resolving global environmental problems.
4. To assist developing countries to prepare for and adapt to changing conditions while taking action to reduce negative impacts on the most vulnerable members of society.

1.2. Strategic Environment Partnerships Programme (SEPP)

In support of the policy objectives, an initial three years *Strategic Partnerships Environment Programme (SPEP)* was designed and adopted to cover the period 2006-8. It was envisaged that the partnerships would, in line with its policy objectives on the environment, allow Irish Aid to contribute directly to environmentally sustainable activities in developing countries whilst learning from the expertise and experience of the partner institutions and building Irish Aid's capacity in the area of the environment.

The initial partnerships programme facilitated cooperation with six partner institutions including:

- World Resources Institute (WRI)
- International Institute for Environment and Development (IIED)
- World Conservation Union (IUCN)
- Climate Change Capacity Development (C3D) Programme of the United Nations Institute for Training and Research (UNITAR)
- Climate and Development in Africa (CLI-DEV AFRICA)
- Least Developed Country Expert Group (LEG) of the United Nations Framework Convention on Climate Change (UNFCCC).

An external evaluation of the SPEP was carried out by *Economics for the Environment Consultancy (EFTEC)* in 2008. Based on the recommendations of the external review, Irish Aid subsequently sought and received PAEG approval for a further three year partnerships programme (2009-11).

The 2009-11 programme sought to build on the “...previous three year programme, taking into account the findings of an external review, the progress made, and the understanding, knowledge of, and relationships built with the partner organisation ...emphasis for the coming period... on maximising the potential synergies with sections at HQ level and...with the programme countries...”

The overall goal of the 2009-11 programme was “to reduce poverty by contributing to the promotion of environmentally sustainable development” through specific objectives that sought to:

1. *Build the capacity of IA at HQ level and with the programme countries and civil society partners to contribute to sustainable development*
2. *Strengthen the role of local organisations in managing natural resources*
3. *Support vulnerable countries and communities to adapt to climate change*
4. *Contribute to sustaining and securing livelihoods in a changing world*

The 2009-11 partnership programme facilitated cooperation with four partner institutions including:

- World Resources Institute (WRI)
- International Institute for Environment and Development (IIED)
- World Conservation Union (IUCN)
- Least Developed Country Expert Group (LEG) of the United Nations Framework Convention on Climate Change (UNFCCC).

The PAEG proposal envisaged an overall 2009-11 budget of €5,450,000 apportioned between the years 2009, 2010 and 2011 in amounts, respectively, €1,400,000, €1,800,000 and €2,250,000.

The intention was for a funding breakdown as follows:

Partner	2009 €	2010 €	2011 €	Total €
WRI	300,000	500,000	750,000	1,550,000
IIED	800,000	1,000,000	1,200,000	3,000,000
IUCN	200,000	200,000	200,000	600,000
LEG	50,000	50,000	50,000	150,000
Flexible budget line	50,000	50,000	50,000	150,000
Total	1,400,000	1,800,000	2,250,000	5,450,000

The proposed funding was overtaken by the economic downturn. Accordingly, SEPP funding was reduced as follows:

Partner	2009 €	2010 €	2011 €	Total €
WRI	200,000	200,000	200,000	600,000
IIED	550,000	550,000	550,000	1,650,000
IUCN	50,000	50,000	50,000	150,000
LEG	50,000	100,000	50,000	200,000
Flexible budget line	-	-	-	-
Total	850,000	900,000	850,000	2,600,000

2. Purpose and Methodology of the Review

Because the partnership programme had been the subject of external evaluation just three years ago, an internal review was considered most appropriate at this stage and was agreed in consultation with the Evaluation and Audit Unit. The purpose of the review was to carry out an internal, largely document-based examination of the SEPP in accordance with the Terms of Reference for the assignment (See Annex 1). This was to provide Irish Aid with an assessment of the extent to which the goals and objectives of the programme were achieved, to establish the levels of satisfaction with the partners, to provide a record of the lessons learnt and to inform decisions on the future implementation of an environmental partnerships programme including on the continuation and selection of partners.

Resulting from the main partners' commitment to Managing for Development Results and to their submitting themselves to recent external evaluations, a large amount of relevant, useful and credible documentation relating to the partners was available to the reviewers. Irish Aid documentation reviewed included the SEPP proposal document, the White Paper on Irish Aid, Irish Aid's Environmental Policy for Sustainable Development and records of meetings attended by Irish Aid staff. Annual progress and financial reports by the four partner institutions plus, where available, external evaluations commissioned by the partner institutions were the main sources of information on results and institutional development. They provided a strong evidence base for the conclusions of this review.

Based on the SEPP Results framework, a matrix was developed for each of the partners and was used for an initial interrogation of available documents. A Review Matrix containing eleven "review questions" was then developed. It was based on three of the DAC criteria – relevance, effectiveness and sustainability – and it provided a framework for the analysis of information and the writing of the report. Following a desktop study of the available documentation, data and information gathered was organised under each of the review questions. Gaps, mainly relating to SEPP's capacity-building objective were then identified and filled by carrying out structured interviews of Irish Aid staff at HQ and in Programme countries. Finally, interviews were held with Senior Management.

The report was then drafted and to eliminate duplication and facilitate a concise discussion, two of the review questions dealing with overlapping elements of finance, were amalgamated.

The review was carried out and the report written by Sean O Donnacha of Thematic Sectors and Special Programmes Section assisted by an external facilitator Mr. Fintan Farrelly. The external facilitator's role was to advise on the methodology, help develop various matrices described above, to read some of the partner's reports, assist with the analysis, to identify gaps as the exercise progressed, participate in interviews and comment on the draft report.

3. Review Questions

1. To what extent was the SEPP programme design based on a good understanding of Irish Aid's policies and of the strengths and abilities of the four partners?
2. Where earmarking was employed, were the programmes chosen relevant and appropriate?
3. Were the results foreseen in the PAEG proposal actually achieved by the three partners – IIED, WRI and IUCN and LEG?
4. How effective are the three partners? Have they successfully addressed organisational deficiencies identified by external evaluations/reviews?

5. How successful was the programme in building the internal capacity of Irish Aid to mainstream environmental issues?
6. How appropriate and effective was the funding modality used for each partner organisation?
7. How appropriate were the management arrangements in terms of engagement with the partners and monitoring their expenditure and effective use of programme funds?
8. How strong are the finances of the three partners?
9. To what is there a dependency on Irish Aid funding? Would activities financed by IA continue following the cessation of funding?
10. Given budget constraints, how committed is Irish Aid senior management to continuing future funding to the SEPP partners?
11. What is the ability of IA to continue benefitting from SEPP

3.1. Review Questions Discussed

3.2 Review Question 1.

To what extent was the SEPP programme design based on a good understanding of Irish Aid's policies and of the strengths and abilities of the four partners?

Based on the evidence presented below, this review concludes that the rationale for the SEPP and the choice of partners was solidly based on a clear understanding of Irish Aid policies on the environment, the environmental connection to poverty and poverty reduction, the ability of each partner to contribute to Irish Aid's environmental policies and the aspirations of Irish Aid to develop its own capacity in relation to the environment.

The PAEG submission in support of the SEPP included a clear analysis of IA policies on the environment in support of poverty reduction as outlined in the White Paper on IA and further developed in Irish Aid's Environment Policy for Sustainable Development document. The SEPP conformed to Irish Aid's long-term treatment of the environment as a priority issue.

In its choice of SEPP partners Irish Aid had a close regard to the recommendations of the external evaluation of the 2006-2008 *Strategic Partnerships Environment Programme (SPEP)* which noted, in relation to IIED, WRI and IUCN that "*SPEP has clearly been consistent with the four overarching IA environmental policy objectives...the three partners have been well chosen...SPEP is a very cost-effective way of achieving IA's objectives...overall, each of the*

three main partners have been effective...there is mounting evidence of positive impacts on environment policy at national and international levels”.

Additionally, Irish Aid called on its own experience of the same partners over the period of the SPEP noting that the 2009-11 programme *“builds on the previous three year programme... the progress made, and the understanding, knowledge of, and relationships built with the partner organisations...”*

Considering the individual partners in more detail

The World Resources Institute (WRI) works in five programme areas – People and Eco systems, Climate and Energy, Markets and Enterprise, Institutions and Governance and Cross-cutting Projects and Activities. WRI has a major (although according to the External Review, declining) focus on links between environment and poverty. Partnership is integral to WRI's *modus operandi* and globally it operates with over 500 partners. Local Governance provides another major focus. WRI is clearly well aligned with Irish Aid's policy priorities as elaborated in the White Paper and in Irish Aid's Environmental Policy.

The Least Developed Country Expert Group (LEG) is an official body of the United Nations Framework Convention on Climate Change (UNFCCC) whose purpose is to advise Least Developed Countries (LDCs) on the preparation and implementation of national adaptation action plans. It channels funding for the preparation of NAPAs and processes application for funding their implementation. Supporting its work is therefore appropriate and importance. It is also strategically useful in the context of Irish/EU/ LDC relations and the importance of good relations to making progress in the wider UNFCCC negotiations.

The choice of the **International Institute for Environment and Development (IIED)** as one of four SEPP partners had a close regard to the recommendations of the external evaluation of the SPEP. That evaluation found IIED's *“...goals and programmes correspond closely to those of IA ...is consistent with IA's priorities...”* Irish Aid's own analysis of IIED found IIED to have continued to maintain a very high international profile and impact at international environment forums and had been supportive of IA from the perspective of capacity development.

The World Conservation Union (IUCN) is internationally important in the search for solutions to environment and development challenges. Apart from caveats in relation to its institutional structures and breath of activities, the external evaluation of the SPEP found IA engagement with IUCN to be useful and appropriate and that its *“interests closely match those of IA”*. Viewed retrospectively, IUCN was the least satisfactory of the SEPP partnerships. Whilst the organisation did valuable work in the provision of well received training on the mainstreaming of the environment to Embassy staff in Mozambique, Zambia, Tanzania and Uganda, its overall delivery against SEPP objectives was patchy.

Overall, therefore, the entry into SEPP was based on a sound understanding of Irish Aid's policies and the strengths and abilities of the four partners. This review can find no fault, retrospectively, with the entry into SEPP or the partners chosen other than a concern about aspects of the engagement with IUCN.

3.3 Review Question 2

How appropriate and effective was the funding modality used for each partner organisation – where employed, was earmarking relevant and appropriate?

In drawing up the SEPP, Irish Aid sought to adhere to principles of aid effectiveness striving *“where possible to provide support to the partner organisations through framework agreements, respecting their planning and prioritisation, encouraging them to work in a more programmatic way and reducing the partnership management burden...”* The SEPP proposal said that Irish Aid would *“monitor the effectiveness of the partner organisation by focusing on a number of themes...agreed with the partner organisations to provide a catalytic and facilitative input into the wider work of Irish Aid...”*

In fact, support to partners under SEPP was provided through a mix of core, earmarked and project funding.

IIED was the largest beneficiary of SEPP funding. This support was not earmarked, the PAEG submission stating that IA would *“...not earmark its support, it will maintain a number of focus areas... against which it will measure the effectiveness of the partnership...”* The ‘focus areas’ identified were extensive but consistent and supportive of Irish Aid policy on the environment and the recommendations of the external review of the SPEP. Excellent (annual) work-books and results reports produced by IIED as part of its commitment to Management for Development Results, enabled Irish Aid to monitor its support to IIED. Separate, Irish Aid reports were not requested.

Support to **IUCN** was project-based and was intended to encompass Community Environment Management Plans in refugee hosting areas in Uganda and the Shire River Basin Management in Malawi. Only the latter was implemented.

The support to the **UNFCCC-LEG** was for the singular purpose of assisting Least Developed Countries prepare and implement National Adaptation Plans of Action (NAPAs) and was provided through established UNFCCC funding modalities.

Irish Aid funding to **WRI** was linked to activities which already formed a part of the organisation's work-plan. Programmes supported through notionally earmarked funding included (a) a series of studies relating to oil exploration, access to information and the

management/ distribution of oil revenues and (b) of the spatial relationship between live-stock production and poverty in Uganda.

WRI reported separately to Irish Aid on the activities earmarked by Irish Aid. These reports were very much at the activity level and in the opinion of this review, imposed significant transaction costs on WRI and were of little if any added benefit to Irish Aid. The annual reports produced routinely by WRI and available to all donors, were more results-focused and of a much higher quality.

The review considers the approaches to funding to have been appropriate and reasonable with respect to IIED, IUCN and UNFCCC-LEG. Overall, it is considered that the modality used to support IIED, that is, core funding allied to 'focus area' monitoring using the agency's own regular reports, would also have been appropriate to WRI. Earmarking where it was employed was an irrelevant and somewhat wasteful exercise.

3.4 Review Question 3

Were the results foreseen in the PAEG proposal actually achieved by the four partners – IIED, WRI, IUCN and LEG?

The results expected of the SEPP were set out in a results framework annexed to the PAEG document. Some of these results were over-ambitious and others are difficult to measure or assess. Nevertheless, the evidence suggests that significant results were achieved by the programme.

IIED: With respect to **IIED**, substantial achievements across the spectrum of focus areas identified by IA are documented in the IIED Results Reports 2009/10, 2010/11, 2011/12. These include:

- Positive outcomes to direct engagement on mainstreaming of the environment in the national plans of developing countries including the IA programme countries Zambia, Tanzania, South Africa, Malawi and Vietnam.
- Continuing high level broad based influencing input to work of UN Poverty-Environment Initiative (PEI) in all PEI countries including development of PEI M&E system and use by all PEI country teams of IIED approach on environmental mainstreaming policy.
- Continuing input, leadership and success with the Poverty Environment Partnership (PEP) in relation to environmental mainstreaming including in the recruitment of additional southern participants into the partnership.
- High level input, including convening/lead authors to Intergovernmental Panel on Climate Change (IPCC) assessment.

- Substantial work on pastoralism in East Africa (Ethiopia and Tanzania) including research findings that show pastoralism to have significant economic value over ranching in terms of returns per hectare, building lobbying capacity amongst pastoralist groups, participation in Coalition of European Lobbies on Eastern Africa (CELEP) in support of pastoralist agenda, work with AU to mainstream pastoralism amongst AU states including development of a 4 year pastoralist mainstreaming strategy in partnership with Tufts University, development of a postgraduate (MA) course on dry-lands adaptability and climate change in partnership with 3 African universities and Kimmage Dev Studies Centre and with HETAC accreditation (course to commence September 2012).
- Publication (2009) of 'The Challenges of Environmental Mainstreaming – Experience of Integrating Environment into Development Institutions and Decisions'. This paper reviewed the context for environmental mainstreaming at a global level, set out a rationale for the mainstreaming of the environment, discussed the challenges faced and provided guidance on the promotion of the environment and the inclusion of environmental issues in governmental processes. Irish Aid and DfID provided the initial support for the necessary research for this publication.

WRI: WRI progress reports prepared specifically for Irish Aid are very much at the activity and output level but in the WRI Annual Reviews, significant outcomes are documented. For example, positive outcomes around WRI's engagement and support to the climate change negotiations and around emissions measurement and adaptation at country level are documented in annual reviews. The Access Initiative was a programme which Irish Aid considered of particular interest and to which it had notionally earmarked some of its support. It was the subject of a field visit to India by the external evaluation team who documented positive pro-poor outcomes arising from the Access Initiative in that country. At a broad, Irish Aid level, these studies were relevant and appropriate but they were not directly linked to the Irish Aid country programme. The Poverty/Livestock study for instance, was a national study and did not focus on Karamoja, a pastoralist area of particular interest to Irish Aid in Uganda.

LEG: The mandate of the LEG is to assist Least Developed Countries prepare and implement National Adaptation Plans of Action (NAPAs). According to LEG reports to the SBA and COP meetings, of a total of 50 LDCs, 48 have received funding for preparation of NAPAs and 47 plans have been completed. The remaining country, Myanmar is progressing well with its plan. Funding for implementation of adaptation projects is provided through the LDCF – 43 had applied and 33 have been approved.

The LEG's work programme also involves developing an approach to monitoring and evaluation, training and the development of case studies. It appears to be making good progress in fulfilling its mandate. The SEPP PAEG document mentions the integration of NAPAs into national plans and budgets. However, the LEG reports give no indication that this is happening and appears to consider NAPAs and adaptation "projects" in a stand-alone manner.

IUCN: It was intended that support to **IUCN** would encompass Community Environment Management Plans in refugee hosting areas in Uganda and the Shire River Basin Management in Malawi. Only the latter was implemented and its performance was considered by SEPP management to be less than satisfactory.

In summary, the results foreseen were somewhat optimistic but significant outcomes have been documented – particularly relating to the work of WRI and IIED. There was also good capacity development at Embassy level in Tanzania, Mozambique, Uganda and Zambia (IUCN training).

3.5 Review Question 4

How effective are the main partners? Have they successfully addressed organisational deficiencies identified by external evaluations/reviews?

Based on the evidence of external evaluations carried out in 2012, this review concludes that SEPP's two main partners, WRI and IIED, are very effective organisations that have made major strides in addressing deficiencies identified by earlier evaluations.

The WRI external review (2012) carried out a survey of European donors to the WRI and received a universally positive response. Words used to describe WRI included *thorough, effective, independent* and *respected*. WRI carries out high quality research which is published and communicated effectively to those who may use the results.

According to the **WRI** External Review, WRI has built up a staff of excellent, highly motivated and highly diverse specialists unparalleled elsewhere in the world. This assessment is independently confirmed by the annual ranking of global think tanks by the "Think Tanks and Civil Societies Program" at the University of Pennsylvania. WRI has been ranked number 1 in the Environment Think Tank category for many of the years since the rankings were started in 2007.

The external evaluation of the SPEP, whilst generally positive about **IIED**, found the organisation to have "*organisational and management problems*". The (2007) external evaluation of IIED found similarly with respect to organisational structures and management.

The 2012 external evaluation of IIED found an organisation that was satisfactory to its donors, was performing well in terms of the quality of its research, was bringing science and advocacy to bear at a global environmental level, had a forward strategy (2009-14) that is targeted and relevant, is 'results focused' and has gained in terms of its overall organisational strength (from the previous external evaluation). IIED was found to have advanced substantially in terms of systems, organisational structures, financial management and Board oversight.

The external evaluation noted “...the role and responsibilities of the Board have advanced greatly...since the last assessment made in 2007...the IIED Strategy 2009-2014 is considered targeted and relevant...the preparation of annual Workbooks and Results Reports have substantially geared up internal capacity for Results Based Management...significant progress has been made on M&E and learning related to both programmatic and organizational aspects of IIED's work and we noted a genuine strive towards continuous improvements... has responded to the previous External Review by ensuring greater emphasis on results orientation, learning and sharing experiences across IIED...considerable progress has also been made in Communications...these have become better integrated into programs and projects, and the Communications Team is symptomatic of the excellence associated with IIED...IIED has good financial systems in place and it continuously pursues further improvements in financial management and supporting systems...altogether, with the multiannual Strategy, annual Workbooks and annual Results Reports, IIED has made a major quality jump regarding strategic planning and results based management”.

Judging by the results presented earlier pertaining to the **LEG**, it appears to be as effective as any such a structure, meeting twice a year and working within a UN Secretariat, can be.

In summary, based largely on the evidence of external and independent evaluation, this review concludes that the main partners are effective and that both WRI and IIED have successfully addressed issues identified in earlier evaluations.

A (2011-12) external review of IUCN was reasonably positive but circumspect about the organisation. The review found positives noting that IUCN “...is producing results at a global level...IUCN does have unique and valuable attributes...the breath of IUCN's influencing and capacity building activities across a range of partners is impressive...IUCN's promising monitoring and evaluation (M&E) system is picking up results [members]...generally convey positive perceptions about an organisation that has changed to meet new challenges...”

Notwithstanding that the external review found positives it has to be said that, overall, the review was quite critical noting inter alia “the organisation does not have appropriate formal definitions, frameworks and indicators that performance can be evaluated against...the limited ability credibly and systematically to identify and claim these results is problematic...the global influencing work of IUCN is largely undocumented...very limited formal agreement or clarity about what IUCN's niche or unique attributes are...no analysis of IUCN's unique selling point...there is a sense that IUCN is an organisation that does not realise its potential”

Unlike IIED and WRI, progress by IUCN, since the 2007 external review seems to have been at best, slow. The (2011-12) review was critical of progress in relation to organisational issues including structure and governance arrangements, corporate and support functions and IUCN's business model. It did note some positives “...IUCN is already working to strengthen other corporate functions...credit is due to the Finance Group for their efforts to reform financial

management...with minimal resources IUCN has been able to make good progress with several aspects of the results based management system...

In summary this review concludes that both WRI and IIED have successfully addressed issues identified in earlier evaluations but that much work remains to be done by IUCN in this regard.

3.6 Review Question 5

How successful was the programme in building the internal capacity of Irish Aid to mainstream environmental issues?

Objective 1 of the SEPP envisaged a process of engagement with SEPP partners (IIED, WRI and IUCN) that would facilitate environmental capacity development within Irish Aid and its developing country partners to include a substantial number of seminars and training events hosted by Irish Aid.

Over the period of the SEPP partner institutions did engage with Irish Aid though not to the levels envisaged by the SEPP. Training in environmental mainstreaming, especially, was carried out by IUCN in four programme countries. IIED and WRI representatives visited Irish Aid HQ and both of these organisations input to the review of the White Paper on Irish Aid.

The failure to pursue internal capacity building to the extent envisaged is largely attributable to Irish Aid budget cutbacks necessitated by the economic downturn subsequent to the PAEG approval of the SEPP as economic pressures prevented the necessary increase in staffing in the area of the environment.

Notwithstanding that capacity development engagement did not reach levels envisaged by the SEPP, the review concludes – based on the evidence of personal and video conference interviews with Irish Aid staff - that SEPP intervention has heightened awareness and expertise on environmental matters amongst sections of Irish Aid staff.

It is clear, especially, that mainstreaming training provided to staff in programme countries has helped recipients of the training to mainstream the environment in their programme development and, generally, to enhance their understanding of environmental issues.

Over the period of the SEPP Irish Aid has deepened its commitment and support to the promotion of environmentally sustainable development including in the development of the capacity of its staff at HQ and the field and in the mainstreaming of the environment in country programmes. Irish Aid increased its direct support to environmental and climate change activities in the final year of the SEPP – from €1 million to €2.6 million and this increase in funding has continued into 2012.

Interviews with Irish Aid HQ and mission staff point to a very positive relationship between Irish Aid and the main partners. Both IIED and WRI have engaged with and assisted Irish Aid whenever requested. It is apparent, however, that resource constraints within Irish Aid contributed to much less capacity building engagement with the partners than envisaged by the SEPP.

3.7 Review Question 6

How appropriate were the management arrangements in terms of engagement with the partners and monitoring their expenditure and effective use of programme funds?

The SEPP proposal envisaged that *“oversight of expenditure will be the responsibility of the special programmes implementation unit... contact with partners will be maintained by e-mail and telephone...the leading partners will visit Irish Aid on an annual basis and where possible meetings with partners will be held in conjunction with meetings of the PEP, ENVIRONET, UNFCCC ...ensure that all possible links and synergies between the partnership institutions and Irish embassies are supported, developed and optimised...”*

In hindsight, it can be said that the levels of engagement envisaged were over-ambitious and developments such as the linking of partner institutions with Irish embassies failed largely to materialise. Had, however, implementation unit resources been increased as envisaged by the SEPP proposal document, the proposals for programme management and engagement would have been entirely appropriate.

The implementation unit did maintain good oversight and engagement with the partners attending donor meetings and ensuring reporting arrangements were maintained. Resource constraints, however, did not allow the implementation unit to engage to the extent that was envisaged by the SEPP proposal document. It had been hoped to increase staffing in the implementation unit. This was not possible (the sign-off of the SEPP coincided with the economic downturn).

In summary, while the intended high level of engagement was not possible due to staff shortages, a good level of oversight and engagement was maintained by Aidan Fitzpatrick, the individual managing the programme.

3.8 Review Question 7

How strong are the finances of the main partners – is there a dependency on Irish Aid and would activities financed by IA continue following the cessation of funding?

Whilst, in the current economic climate, the finances of all organisations will come under pressure there would not appear to be cause for major concern about the finances of IIED or WRI. There would be slightly more concern about the financial position of IUCN.

Irish Aid does not provide the major part of the overall funding of any of the SEPP partners nor does it unilaterally fund any specific activities by any of the partners. There is no question of dependency by any of the partners on Irish Aid funding.

There are some small concerns.

‘Revenue generation’ was one of the few areas of activity that the (2012) external evaluation of IIED expressed some concern about noting that *“strategies for revenue generation...are lacking”*. The concern of the IIED evaluation was not for the immediate revenue position of IIED but rather with an organisational complacency on the matter and the absence of a revenue generation strategy noting that *“urgency about future funding was not fully shared in IIED...external contexts and internal imperatives call for an explicit institutional strategy and organisational vigilance regarding future revenue generation...a revenue generation strategy is urgently needed”*.

Notwithstanding its concerns on the matter of revenue generation, the evaluation found that IIED had a good track record in the area and used finance effectively and efficiently and gave good value for money. The evaluation concern was that *“past financial performance is no guarantee for its financial future”*.

Irish Aid funding of €550,000 per annum, to IIED, represents just 2.72% of IIED’s total budget of €20.2 million (2011-12). Insofar as Irish Aid does not earmark its support to IIED there is no IIED activity that is dependent for its continuity on Irish Aid funding. This does not mean that Irish Aid funding is not important to IIED. Irish Aid funding is important to IIED primarily because of the ‘core’ aspect of the support. IIED core (or frame as described by IIED) funding is decreasing and is projected to continue to decrease. IIED core/frame funding peaked at €5 million, is €3.1 million in 2011-12 and is projected to decrease to €1.8 million in 2012-13. This continuing pressure on un-earmarked funding reduces IIED’s flexibility and gives added importance to remaining flexible funding – Irish Aid’s current support of €550,000 per annum would amount to over 30% of IIED’s projected core funding of €1.8 million in 2012-13. The external evaluation of IIED noted the pressures on the organisation’s core funding but was not overly concerned about it.

Irish Aid funding of €200,000 annually represents only a small percentage of WRI’s €47.5 million 2011 budget. It is not likely to create any dependency but WRI finds it difficult to obtain funding for the TAI which is a focus of Irish Aid’s support. According to its external review, WRI has increased its fundraising from \$21 million in FY2006 to \$40 million in financial year 2010 and \$47.5 million in 2011 on the way to a projected level of \$50 million in 2015. The external review considers these numbers to be very impressive for two reasons:

- (a) the overall level of fundraising achieved in a very difficult economic climate when most NGOs are suffering, and
- (b) the overall diversification of funding sources with substantial increases in the funding coming to WRI from corporations and private foundations.

The diversification of WRI's funding sources documented in the evaluation enhances the hoped-for sustainability of the WRI operating model. Unrestricted funds remain an issue, both for WRI and virtually every other NGO.

The (2011-12) external review of IUCN found (in agreement with IUCN's own analysis) that there are- funding pressures "...traditional funding sources...no longer reliable and...new sources must be found..." Whilst noting that IUCN has introduced measures to "...address financial sustainability..." the review was not overly enthusiastic about the approaches in place.

3.9 Review Question 8

Given budget constraints, how committed is Irish Aid senior management to continuing future funding to the SEPP partners?

Irish Aid remains committed to this type of funding despite threats to the budget. When interviewed for this review Irish Aid senior management were supportive of funding to organisations such as WRI and IIED (along with CGIAR and others). They support the provision of core funding and reiterated the requirement for Irish Aid to have regard for aid effectiveness best practice and to avoid the imposition of unnecessary transaction costs on partners.

Senior management considers the work of such organisations to be complimentary to the policy and programmes of Irish Aid and worthy of support in accordance with a strategy focus that also includes support to bilateral country programmes and to selected NGO s.

It is the conclusion of this review that internal commitment and external imperatives will ensure continued funding of environment and climate change activities.

Over the period of the SEPP Irish Aid has deepened its commitment and support to environmental and climate change activities. The value of direct support to environment and climate change actions has increased from less than €1 million per annum, in the years up to 2010, to €2.6 million in 2011 and €2.65 million in 2012. Within the overall Irish Aid programme, there has been an increase in the value of support to environment related activities - from €10 million in 2010 to over €30 million in each of the years 2011 and 2012.

There are international pressures on Ireland and all developed countries to provide additional funding to climate change activities including commitments made at the Durban UNFCCC Conference in 2011. In view of the foregoing, it is likely that that there will be continued substantial funding of environment and climate change activities over the coming years,

notwithstanding the economic downturn and the considerable pressures on the Irish exchequer. In view of the attitude of Irish Aid senior management to 'SEPP type' organisations it is likely that some or all of the SEPP partners will be supported into the future.

3.10 Review Question 9

What is the ability of IA to continue benefitting from SEPP

Due to resource constraints, the range of activities envisaged for the 2009-11 SEPP did not materialise and the potential contribution of the partners to the development of Irish Aid's institutional (environmental) capacity, was not maximised. The PAEG submission in support of the SEPP was ambitious about the potential for the partnership to further develop Irish Aid's institutional capacity to implement its environment policy. The submission was not complacent, however, about the resource implications for Irish Aid noting that *"considerable time and resources at both HQ and field level will be required if the partnership is to deliver...maximising the potential contribution of the partner institutions will also require the prioritisation of the environment as a key issue by the priority country teams..."*

The PAEG submission identified resources as a specific risk noting *"limited capacity to manage and absorb the lessons learned and outputs from the various activities...limited staffing...was a limiting factor...under the previous partnerships programme...it is hoped to increase staff in the area of the environment..."*

The resource risk identified came to pass. Due to Irish Aid budget cutbacks necessitated by the economic downturn subsequent to the PAEG approval of the SEPP, there was no increased staffing in the area of the environment nor did SEPP financing reach levels envisaged by the proposal document.

There is, currently, increased staffing and funding in the area of the environment, in Irish Aid. This now gives Irish Aid capacity to engage with the SEPP and exploit partner expertise in a way that had not been possible through the 2009-11 period of the SEPP including in the development of links and synergies between the partnership institutions and Irish embassies.

4. Conclusions and Recommendations

Conclusions

Overall, the SEPP and the SEPP partners have performed well and possibly beyond what might have been expected given the adverse economic conditions impacting over the period of the programme and the resource constraints on Irish Aid over that period.

There is strong evidence to support a finding that the main partners (IIED and WRI) continue to be excellent partnership choices that effectively and efficiently pursue environmental objectives, at a global level, that are closely aligned with Irish Aid policy objectives for the environment.

There is value and strategic importance (for Irish Aid) in the support to the work of the UNFCCC-LEG and, notwithstanding issues with aspects of programme delivery, there has also been (environmental) capacity building value from the relationship with IUCN.

That (Irish Aid) environmental capacity building interventions, as envisaged by the SEPP, were not achieved was due to a staffing shortfall within the SEPP implementation unit.

Expanding on the general conclusions above:

1. The rationale for the SEPP and the choice of partners is shown to have been solidly based on a clear understanding of Irish Aid policies on the environment, the environmental connection to poverty and poverty reduction, the environmental capacity development requirements of Irish Aid and the value and strengths of the four partners
2. The SEPP was well grounded in Irish Aid policy and the recommendations of the external evaluation of Irish Aid.
3. The work of all the SEPP partners continued to be consistent with Irish Aid policy objectives for the environment and poverty reduction, throughout the period of the SEPP.
4. In assigning the bulk of SEPP funding to IIED and WRI, Irish Aid achieved relatively inexpensive access to the (environment related) expertise of two of the premier think tanks on the environment operating at a global level.
5. IIED and WRI are now organisationally more robust than at the commencement of the SEPP.
6. Funding modalities were broadly appropriate with the exception of the support to WRI which could have been allocated as core rather than earmarked funding without risk or loss of value to Irish Aid.
7. There was substantial achievement across the spectrum of objectives identified by IA for all the SEPP partners.
8. Objectives for (environmental) capacity building inputs (seminars, training, linking of SEPP partners with Programme Country missions) were overambitious. Notwithstanding that not all capacity building objectives were achieved there was substantial success in this regard.

Recommendations

1. It is the recommendation of this review that Irish Aid should continue its partnership arrangements with IIED, WRI and UNFCCC-LEG. The work of these organisations continues to be clearly aligned with Irish Aid policy on the environment. There is no policy or organisational weaknesses that should deter a continuation of the partnerships

with IIED and WRI. Support to the work of UNFCCC-LEG is of specific and strategic value.

2. In the event that there is a decision to continue support to these organisations the review recommends that the support to WRI is allocated as core rather than earmarked funding on grounds that the earmarking of WRI funding does not give rise to added value for Irish Aid and creates a transaction cost for WRI. The review sees no grounds for changing the approach to the support to IIED and UNFCCC-LEG.
3. The implications for continuing support to IUCN should be carefully considered by Irish Aid. Notwithstanding that IUCN provided valuable training in environmental mainstreaming to Irish Aid personnel in a number of programme countries there were issues around project delivery by IUCN. Having regard to the direct experience of IUCN and the somewhat negative external (2011-12) review of the organisation, further support should be targeted to work that is clear and unambiguous and within the scope of IUCN to deliver.
4. 'Environmental focal points' should be appointed from amongst the development staff of Irish Aid programme countries; whilst interviews with Irish Aid mission staff showed that (environmental) capacity building interventions at mission levels were very successful it also emerged that such interventions would benefit from ongoing reinforcement including increased contact, on environmental matters, between HQ and missions and between partner organisations and missions and that dedicated (embassy) focal points would aid such discourse.

Annex 1 – Terms of Reference

Review of Irish Aid's Strategic Environmental Partnerships Programme (SEPP)

1. Background

In order to support environment and climate change actions, Irish Aid adopted its *Environment Policy for Sustainable Development* for operational purposes in May 2005 (this came into force in 2007). The overall goal of the environment policy is “to reduce poverty by contributing to the promotion of environmentally sustainable development”.

Following the adoption of the environment policy paper, Irish Aid developed its *Strategic Environmental Partnerships Programme (SEPP)*. The purpose of the partnerships programme has been to support a number of key partner institutions to implement activities which promote environmentally sustainable development and which are consistent with and support Irish Aid's policy implementation. The first partnership arrangement was with six partner institutions and covered the three year period 2006-8.

Following an evaluation of the 2006-8 programme by UK based consultants *Economics for the Environment Consultancy (EFTEC)*, PAEG approval was sought and received for a further partnership arrangement to cover the three years period 2009-11. Irish Aid now wishes to carry out an internal review of this (2009-11) Environmental Partnerships Programme to measure progress towards delivering on its objectives and priorities. In particular, the review will look at the key partners funded under the programme¹. The review will be undertaken by the staff of the thematic Section (TS) with the support of an external facilitator.

2. Purpose and Scope of the Review

¹ The 2009-11 partner institutions to be examined under this review include:

- World Resources Institute (WRI)
- International Institute for Environment and Development (IIED)
- International Union for the Conservation of Nature (IUCN)
- Least Developed Country Expert Group (LEG) of the UNFCCC

The purpose of the review is to carry out an internal assessment which will provide an end of programme snap shot on the Strategic Environmental Partnership Programme. It will provide an evidence based document which will measure the extent to which the goals and objectives of the partnerships programme are being achieved. It should establish the success and levels of satisfaction with the programme and partners and influence and inform decisions on future implementation including the continuation and selection of partners. The review will reflect on progress and challenges; capture lessons learned, outline key findings and contain clear and concise conclusions and recommendations for the future implementation of the partnerships programme and, in particular, inform decisions on current partners and funding modalities. As part of the review examination will be undertaken of reports, external independent reviews/evaluations of each partner alongside engagement with other donors and relevant stakeholders.

The key dimensions of the review include:

- An outline and analysis of key achievements by the partners against each of the objectives of the partnerships programme.
- An assessment of the relevance, appropriateness, effectiveness and sustainability of the current programme funding in delivering on the objectives.
- An assessment of the relevance, appropriateness and effectiveness of current management and monitoring arrangements.
- Recommendations for the future of the programme.

Annex 2 – Review Matrix

DAC Criteria	Review Question	Information/Evidence required to address the Question	Source of Evidence
Relevance	1. To what extent was the SEPP programme design based on a good understanding of Irish Aid's policies and of the strengths and abilities of the four partners?	Assessment of SEPP against IA policy documents	PAEG proposal, White Paper, Environment Policy EFTAC Evaluation
	2. Where earmarking was employed, were the programmes chosen relevant and appropriate?	As above	PAEG proposals and policy documents, annual reports of partners, interview (?)
Effectiveness	3. Were the results foreseen in the PAEG proposal actually achieved by the three partners – IIED, WRI and IUCN and LEG?	Results relevant to Irish Aid's objectives achieved by the three partners 2009 – 2011 including their influence at an international level	IIED, WRI and IUCN Annual reports and external evaluations Internal records
	4. How effective are the three partners? Have they successfully addressed organisational deficiencies identified by external evaluations/reviews?	Evidence of changed strategies, structures and/or approaches,	Strategic Plans, Annual reports, Records of annual partner meetings, views of core donors?
	5. How successful was the programme in building the internal capacity of Irish Aid to mainstream environmental issues?	Evidence of substantive engagement with environmental concerns in CSPs and PAEG documents.	Comparison of earlier with more recent CSP and PAEG proposals
	6. How appropriate and effective was the funding modality used for each partner organisation?	Transaction costs of IA and the partner, the logic underlying decision re. different modalities	Annual meeting reports, EFTAC Evaluation interviews (?)
	7. How appropriate were the management arrangements in terms of engagement with the partners and monitoring their expenditure and effective use of programme funds?	Evidence of engagement with and learning from the partner, effective monitoring of public funds	Interview, annual accounts, Internal Audit reports.
Sustainability	8. How strong are the finances of the three partners?	Ability to attract donor and/or other funding	Annual reports, accounts and donor meetings,

			external evaluations
	9. To what is there a dependency on Irish Aid funding? Would activities financed by IA continue following the cessation of funding?	% of overall funding represented by Irish Aid, commitment of the partner agency to the programmes being funded.	Annual reports and accounts, interview with partners(?) external evaluations
	10. Given budget constraints, how committed is Irish Aid senior management to continuing future funding to the SEPP partners?	Senior management views on investing in environmental programmes and in the partner institutions in particular.	Interviews with DG/DDG and Director Thematic Section. White Paper review
	11. What is the ability of IA to continue benefitting from SEPP		