Climate Investment Funds

FIP/SC.4/5
June 10, 2010

Meeting of the FIP Sub-Committee
Washington, D.C.
June 24, 2010

FIP: LOGIC MODEL

Proposed Decision by FIP Sub-Committee

The FIP Sub-Committee reviewed document FIP/SC.4/5, *FIP: Logic Model*, and agrees that the proposed logic model be used as a basis for developing the FIP results framework.

I. INTRODUCTION

1. Results monitoring and periodic evaluation of performance and financial accountability of the multilateral development banks (MDB) is a core activity of the Clean Technology Fund (CTF) and the Strategic Climate Fund (SCF) Trust Fund Committees as outlined in the governance frameworks of the CTF and SCF. The joint CTF-SCF Trust Fund Committee requested the Climate Investment Funds Administrative Unit (CIF AU) to undertake efforts to harmonize the results frameworks across all funds and targeted programs. The harmonized results frameworks formalize the commitment of Trust Fund Committees and its partners to accountability for the Forest Investment Program (FIP) and to achieving results. It contains two parts: (i) the logic model; and (ii) the performance measurement framework.

2. At its meeting in March 2010, the Joint Meeting of the CTF and SCF Trust Fund Committee meeting reviewed document, CTF-SCF/TFC.4/3, *Harmonization of CIF Results Frameworks*, and approved the proposed CIF Results Frameworks, subject to the comments made at the meeting. The meeting requested the CIF Administrative Unit and the MDB Committee to refine further the indicators with a view to ensuring that results measurement is simplified and anchored within the programs and projects at the country level and with a specific emphasis on data availability and quality. The Committees underscore that a primary objective of the results frameworks is to provide a management tool for countries receiving funding from the CIF. The Trust Fund Committee also requested the development of a results framework for the FIP.

3. Currently draft results frameworks are in place for the Clean Technology Fund (CTF), the Pilot Program for Climate Resilience (PPCR), and the Scaling Up Renewable Energy Program in Low Income Countries (SREP). A separate process has been undertaken to develop a framework for the FIP.

4. This paper presents the proposed logic model for the FIP. The model is consistent with the *FIP Design Document*. The FIP Design Document states that, "the FIP Sub-Committee should report to the SCF Trust Fund Committee on results, outcomes and lessons learned from the pilots achieved at the programmatic, country and project level, based on the monitoring results of the MDBs and the results of the FIP Sub-Committee review of effectiveness and impact of FIP programs and activities. […] Full reporting criteria and a framework for planning, impact, learning and evaluation should be reviewed and approved by the FIP Sub-Committee. Such a framework should be based on the objectives, principles and criteria of the FIP, as set forth in sections II, III and VI above and Annex II of this [design] document." [1]

5. The FIP Sub-Committee is requested to review the proposed FIP logic model as the basis for developing the FIP results framework to be approved by the joint CTF-SCF Trust Fund Committees.

[1] See FIP *Design Document (2009)*, paragraphs 42-43.

II. PROCESS OF HARMONIZATION AND INTEGRATION

6. As stated in the document CTF/SCF/TFC.4/3, *Harmonization of CIF Results Frameworks*, the first issue that needs to be addressed is harmonization of the FIP logic model with the logical models of CTF, PPCR and SREP. In this context, harmonization provides for all four frameworks:

a) using the same labels (outcomes versus objectives for example),
b) having the same structure of the results chain (2 versus 3 versus 4 levels), and
c) having a similar presentation (logic model versus table).

7. It also means that
a) where the same results are being measured under different programs or interventions, due consideration is given to common indicators and approaches to measurement, and
b) aggregation is possible.

8. The second issue concerns integration, or, specifying how the various results frameworks relate to each other or "fit together". It creates a results chain that links expected results at the overall CIF level with a cause and effect logic, to results at the CTF and SCF Trust Fund levels, and with results at the level of targeted programs, projects, and interventions. This should produce a "nested" set of results frameworks where, for example, the framework for the FIP is a stand-alone document, but the statements in it are linked to a CIF results framework.

9. The process of integration and harmonization has three steps:

a) **Agreement on the results** – This is a strategic, high level process with some technical discussions to develop the causal results chain and develop results statements.

b) **Agreement on the indicators** – This is a more technical process with definitions of articulated indicators, research on data availability, and specification of measurement methodologies. Typically, this includes the source of the data, the methodology by which the data will be collected, and the responsibility for data collection.

c) **Agreement on a performance measurement strategy** – This is a technical process for the collection of baseline data, a strategic process for setting targets of expected performance, and a technical process determining how data will be collated, aggregated, and reported. This includes how information will be collated or "rolled-up" and then reported. Given the structure of the funds and programs performance reporting will take place at a number of different levels – individual project / program, country, CIF targeted program / Fund (CTF, SREP, PPCR, and FIP), and overall CIF level.

10. Following harmonization and integration of the results frameworks, there is need to also harmonize performance measurement. Performance measurement includes definitions of indicators and identification of the means by which performance will be measured. Typically, this includes the source of the data, the methodology by which the data will be collected, and the responsibility for data collection.

11. Associated with the details regarding performance measurement is reporting performance information. This includes how information will be collated or "rolled-up" and then reported. Given the structure of the funds and targeted programs, performance reporting will take place at a number of different levels – individual project / program, country, CIF targeted program/Fund (CTF, SREP, PPCR, and FIP), and overall CIF level.

III. FORMAT FOR CIF RESULTS FRAMEWORKS

12. The results frameworks for the CIF Funds and targeted programs contain two components:

a) A graphical logic model for each fund and program containing the results chain,
b) A table containing the results from the logic model and the proposed indicators that could be used to measure the results at the different levels.

A. The Logic Models

13. The logic model is a diagram intended to demonstrate the cause-and-effect "chain" of results from inputs and activities through to outputs, higher level outcomes, and impacts. The logic model is not intended to demonstrate how these results will be measured using indicators. One of the strengths of the logic model is the flexibility with which it can be applied to a variety of country and sector circumstances and contexts. For the CIF, it is an ideal tool for demonstrating the results chain as the CIF have the following structural elements:

a) Multiple targeted programs that converge towards a single high level result;
b) CTF and SCF that converge towards a high level result (CIF);
c) An overall "mechanism", the CIF, which is greater than the sum of its parts, but that also encapsulates the Funds and targeted programs that constitute it; and
d) Programs and projects that are implemented by MDBs, each with their own results framework structures.

14. As with all results frameworks, these logic models should not be seen as a blueprint for implementation, rather a framework that can be adjusted as progress is made and lessons are learnt, especially at the lower levels of the results chain.

15. The logic models have been intentionally designed in a uniform fashion and have common elements. Ultimately the labels and levels are not as important as long as the principles of *Managing for Development Results* (MfDR) are adhered to (such as the integrity of the results chain) and they allow for the Fund or targeted program to be accurately represented.

B. The Performance Measurement Framework

16. The results in the logic models are then placed in tables that further specify the indicators to be used to measure progress, information about how the data on indicators will be collected (source, methodology, frequency, etc), and baselines and targets.

17. These tables are still under development for all CIF Funds and targeted programs, including the FIP, and are scheduled to be completed in September, 2010.

IV. THE DRAFT LOGIC MODEL FOR THE FIP

18. The draft FIP logic model is presented in figure 1. It follows the same format as the logic models for the other CIF Funds and targeted programs and contains the same results levels.[2]

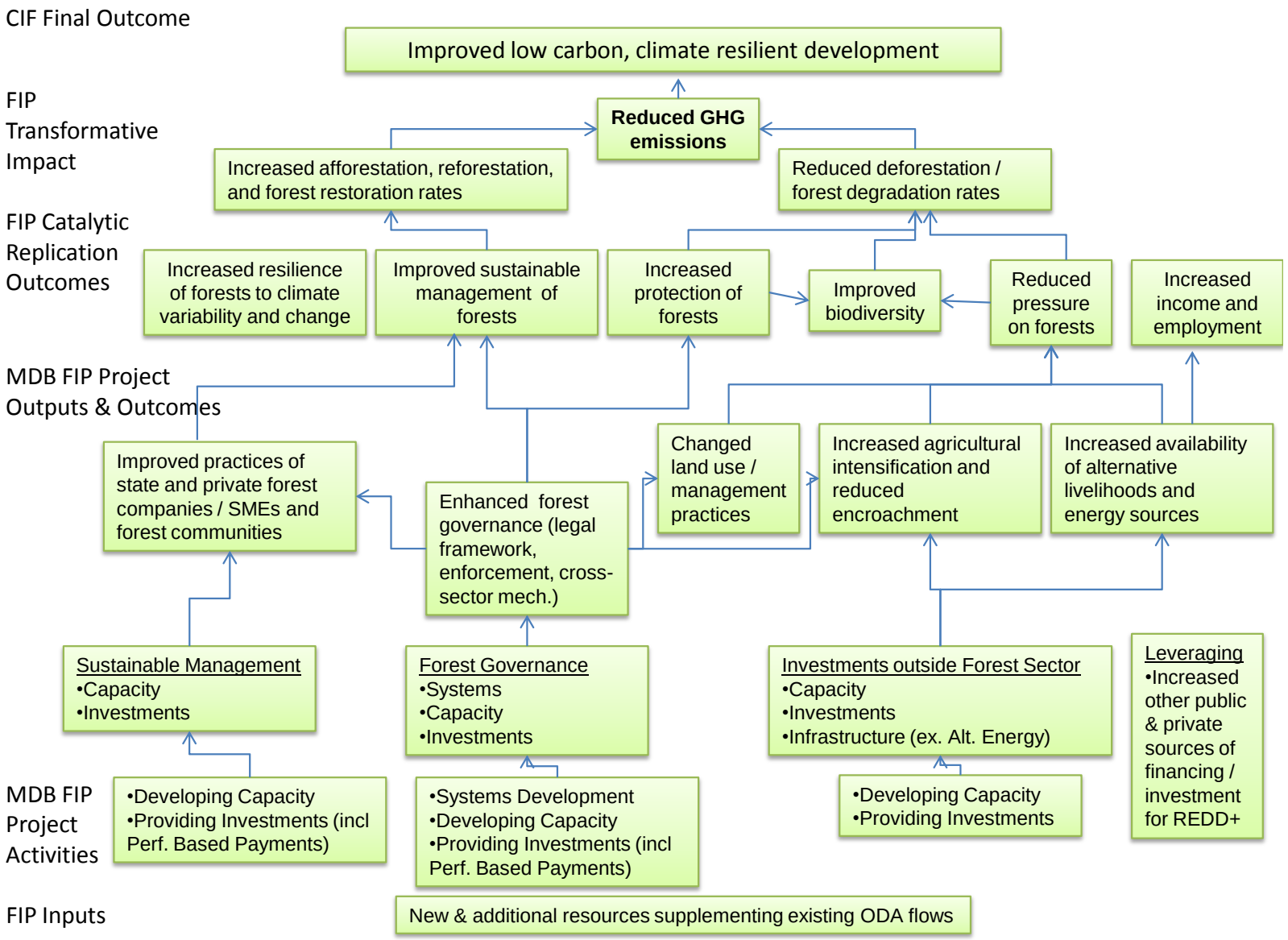
19. The CIF *Final Outcome* is the highest level of result for all CIF Funds and targeted programs. Social and economic development that is both, low carbon and climate resilient, is the ultimate goal of the CIF. This result statement is common to all CIF Funds and targeted programs and hence, also used for FIP as the *Final Outcome*.

20. *FIP Transformative Impact* – These impacts deal with the expected long-term changes to forest ecosystems and landscapes. The impacts that the FIP hopes to achieve as a contribution in a long-term, transformative manner, are "reduced deforestation/forest degradation rates" and "increased afforestation, reforestation, and forest restoration rates" leading to reduced greenhouse gas emissions. .

21. In order to contribute to these long-term impacts of FIP, the CIF will need to catalyze and contribute to the replication of certain changes in forest-ecosystem or landscape based societies in which FIP programming and investment is undertaken. These changes are FIP *Catalytic Replication Outcomes* and include "improved sustainable management of forests", "increased protection of forests", and "reduced pressure on forests". It is also anticipated that there will be socio-economic and environmental co-benefits of FIP interventions that seek to reduce pressure on forests, including "increased income and employment" and "protection of biodiversity".

[2] See http://www.climateinvestmentfunds.org/cif/sites/climateinvestmentfunds.org/files/Joint%203Harmonization%20of%20CIF%20Results%20Frameworks%20march%202010.pdf.

Figure 1: Logic model – Forest Investment Program



22. To achieve the catalytic and replication outcomes, various MDB programs and projects will be implemented. The FIP logic model attempts to capture these only in a general sense. The results frameworks of each FIP intervention will contain more precisely specified results statements. The intervention outcomes include changes to the behavior of those active in the forest sector and those sectors affecting the integrity of forest ecosystems including state and private companies, forest-relevant local communities and indigenous peoples. They also include positive changes in land use and land management practices, drivers of deforestation such as mining, agricultural encroachment, and infrastructure development. In addition, there will be an emphasis on alternative livelihood development and alternative energy production, to reduce the pressure on forest ecosystems from those who live or work close to forests. All of these will be supported by enhanced forest governance, with strengthened legal frameworks, improved enforcement, and the operation of cross-sectoral mechanisms to address the drivers of forest degradation and deforestation that initiate from inside and outside of the forestry sector (ex. mining, livestock, farming, etc).

23. The FIP will include investments for capacity building of a variety of groups and stakeholders, a range of investments including performance based payments, and leveraging of additional sources of financing and investment for REDD+.

V. NEXT STEPS

24. The proposed logic model for the FIP is submitted to the FIP Sub Committee for discussion with the understanding that the final logic model and the respective results framework be submitted along with the other CIF frameworks in September for approval by the joint CTF-SCF Trust Fund Committee.

25. The current logic model for FIP is based on broad assumptions. These assumptions need to be tested, verified and reviewed. As a result of the discussion during and feedback from the FIP Sub-Committee, some results statements might change. A stakeholder consultation process is planned for July and August 2010 to develop results frameworks and strategies for all CIF targeted programs. The consultation process comprises presentations and discussions of results frameworks at the country level, several rounds of feedback by mail of various stakeholder groups, including the FIP Sub-Committee, and an endorsement of the results framework by the FIP Sub-Committee before the final document is submitted to the CTF-SCF Trust Fund Committee for approval.

26. An iterative process is anticipated with the objective to develop results frameworks which are flexible and practical. The finalization of the FIP performance measurement strategy will be part of the development of the CIF monitoring and evaluation system which will require further detailed work with the MDBs, their M&E experts, and their country departments or divisions.