



USAID CLIMATE READY KNOWLEDGE PRODUCTS

Multi-Criteria Analysis Tool



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USAID CLIMATE READY

KNOWLEDGE PRODUCTS

Multi-Criteria Analysis Tool

A Tool for Screening Proposals for the Green Climate Fund

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Cover Photo By
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Cover Photo Caption
Fishing boat approaching the town of London on Kiritimati Island in the Line Islands group of Kiribati.

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USAID CLIMATE READY PROJECT

USAID Climate Ready is a five-year regional project funded by the USAID and implemented by DT Global, a United States based institutional contractor with worldwide experience implementing environment programs.

USAID Climate Ready works in 11 Pacific Island Countries (PICs): Federated States of Micronesia, Fiji, Kiribati, Palau, Papua New Guinea, Republic of the Marshall Islands, Samoa, Solomon Islands, Tonga, Tuvalu and Vanuatu.

USAID Climate Ready works with PIC governments and other stakeholders to prioritize areas of support that align with their climate and disaster resilience plans and goals to:

1. Draft and implement policies that achieve national adaptation goals;
2. Access and utilize international sources of climate financing; and
3. Improve systems and expertise to better manage and monitor adaptation projects.

BACKGROUND TO THIS TOOL

In 2019, the USAID Climate Ready team in Papua New Guinea worked alongside partners from the Department of National Planning & Monitoring, Department of Treasury, Department of Finance, Department of Provincial & Local Government Affairs, and the Climate Change & Development Authority to produce a tool to facilitate more effective and efficient review, screening and ranking of concept notes and proposals for Green Climate Fund (GCF) funding. The resultant tool has since been used to assist reviewers to score and prioritize against GCF Investment criteria based on GCF Investment Criteria.

THE PURPOSE OF THIS TOOL

This tool is offered as a simple approach to scoring and ranking/prioritizing GCF proposals. For further details and more information on GCF grants and criteria, please visit the GCF's website at: greenclimate.fund.

STEPS IN USING THE MCA TOOL

The following four steps outline how to apply the MCA methodology.

1. GET READY.

- A. Review the brief definitions of the six GCF Investment Criteria in Annex I to familiarize yourself with the funder's requirements.

2. SCORE A PROPOSAL/CONCEPT NOTE.

- A. Read through the proposal/concept note.
- B. Refer to Table 1 Project Type to determine project type.
- C. Next, refer to Table 2 Scoring Matrix (it is recommended to create this table in a spreadsheet to enable faster summation).
 - i. Assign a Score (1 = low to 5 = high) against each criterion.
 - ii. Multiply the Score of each criterion by its Weighting.
 - iii. Sum up all of the values in the Total column together to arrive at the Total Evaluation Score at the bottom of the table.
- D. Ensure there is consensus on the final score. You may do this through a team discussion and/or invite experts within a sector to advise in order to assist in decision-making.

3. RANK AND PRIORITIZE.

- A. After scoring each proposal/concept note, determine whether it is High, Medium or Low priority based on timeframes for implementation. For example:
 - i. High (within the next 3-5 years)
 - ii. Medium (within the next 10 years), or
 - iii. Low priority (within the next 20 years).
- B. Sort proposals/concept notes according rank (i.e. high evaluation score/high priority down to lowest evaluation score/low priority).

4. DOCUMENT.

- A. For each proposal/concept note, enter the details of the project (where you have the available information) into Table 3 below, including its total evaluation score. Keep this as a record for quick reference.

TABLE I: PROJECT TYPE

Start here by identifying the project type. Then move to the table below accordingly.

A. Is this a climate-related project/programme or purely development (Official Development Assistance)?	YES	It is a climate-related project/programme. The climate rationale is significant and clear. It is addressing climate vulnerability, climate resilience. It promotes climate compatible, low carbon development. <i>Decision: Accept proposal for further review. Go to “B” below.</i>
	NO	It is not a climate-related project/programme. It is purely official development assistance. No or poor climate rationale. It is not trying to address climate vulnerabilities, increase climate resilience, or promote climate-compatible, low carbon development. <i>Decision: Reject Proposal. No further review required. Advise proponent.</i>
B. Is this an Adaptation project?	YES	Go to “I. Impact Potential – i) Adaptation measures” in Table 2 below.
	NO	Go to “C. Is this a Mitigation project?” below.
C. Is this a Mitigation project?	YES	Go to “I. Impact Potential – ii) Mitigation measures” in Table 2 below.
	NO	Go to “D. Is this a Cross-cutting project?” below.
D. Is this a Cross-cutting project?	YES	Go to “I. Impact Potential – iii) Cross-cutting measures” in Table 2 below.
	NO	Go to back to “A. Is this a climate-related project/programme...” above and review the questions again.

TABLE 2: SCORING MATRIX

GCF Investment Criteria

I. IMPACT POTENTIAL

Sub-Criteria	Score Guide / Sub-Criteria Description	Score	Weighting	Total
I.1 i. Adaptation measures - Size and significance of beneficiary group(s) e.g. number of vulnerable farmers impacted by the project/programme. Disaggregated by gender:	High impact potential (5) Beneficiary group(s) is relevant, significant size of population against size of project. Clear disaggregation by gender and people with disabilities.		1.0	
	Medium impact potential (3) Beneficiary group somehow relevant, significant population size. Consistency of disaggregated by gender information could be improved. More information needed.			
	Low impact potential (1) Unclear who the beneficiaries are, size of population is not relative to the proposal resource request, lump sum of beneficiary with no disaggregation by gender, poor information.			
ii. Mitigation measures – Mitigation potential (GHG saving/avoidance) e.g. tCO2e/year:	High impact potential (5) Clear mitigation potential goal to achieve. Significant contribution to national mitigation goals.		1.0	
	Medium impact potential (3) Outlined mitigation potential. Somehow contributing to national mitigation goals.			
	Low impact potential (1) Unclear mitigation goals, no alignment to national goals.			
iii. Cross-cutting measures:	Score adaptation and mitigation measures individually and find average to yield one score.		1.0	

2. PARADIGM SHIFT

Sub-Criteria	Score Guide / Sub-Criteria Description	Score	Weighting	Total
2.1 2. Sustainability (Policy, institutional, technical, financial, business, social)	High sustainability (5) Sustainable beyond the life of the project funding (> 15 years), innovative and with strong exit strategy.		1.0	
	Medium sustainability (3) Sustainable only over a short term (5 years).			
	Low sustainability (1) Not sustainable when the project funding stops with no exit strategy. Need more external funding to carry on.			
2.2 3. Institutional absorptive capacity	High capacity (5) Strong public, private and CSO institutional capacity to carry on with the implementation of the outputs after the project has ended.		1.0	
	Medium capacity (3) Medium level of institutional absorptive capacity across the relevant institutions.			
	Low capacity (1) No capacity to support the outputs when the project stops.			
2.3 4. Scalability and replicability	High scalability/replicability (5) Strong viable business case, value chain actors empowered and incentivized to scale up within the project sites and able to replicate the outputs to other provinces even after the project has ended.		0.8	
	Medium scalability/replicability (3) Some capacity to carry on with further support needed. Needs further monitoring after project has ended.			
	Low scalability/replicability (1) Limited capacity to carry on with the outputs when the project has ended – ‘white elephant’ project.			
2.4 5. Monitoring and Evaluation (presence or absence of M&E plan)	High presence of M&E plan (5) Strong opportunity to develop a robust M&E plan with SMART indicators (baseline vs. target).		0.8	
	Medium presence of M&E plan (3) Some opportunity to develop a robust M&E plan.			
	Low presence of M&E plan (1) Limited opportunity to develop a robust M&E plan.			

3. COUNTRY OWNERSHIP

Sub-Criteria	Score Guide / Sub-Criteria Description	Score	Weighting	Total
3.1 6. National and sectoral policy and strategy alignment (degree of alignment with the national and sectoral policies and strategies)	High degree of alignment (5) Strong alignment to national goals, strategic plans, etc.		1.0	
	Medium degree of alignment (3) Shows attempt to align to the national goals, strategic plans, etc.			
	Low degree of alignment (1) No alignment.			
3.2 7. National and Sectoral regulatory compliance (degree of compliance with environmental regulations)	High (5) High opportunity to comply with national and sectoral regulatory standards and decrees. Clear plans on attempting to comply with environmental regulations during implementation.		0.8	
	Medium (3) High opportunity to comply but the proposal does not have clear plans on how to comply, when to comply throughout the life of the project.			
	Low (1) Limited opportunity to comply with regulatory standards. No plans in place to comply with regulatory standards, etc.			
3.3 8. Synergies with other initiatives	High synergy (5) Strong opportunity to build upon and scale up past and proven baseline projects. Clear evidence of replication and upscaling.		0.6	
	Medium synergy (3) The intent is clear to synergise with other initiatives, clear proven initiatives, but unclear on how to scale up.			
	Low synergy (1) Limited opportunity, completely new and untested solutions (GCF will not fund pilot or demonstration project).			

3. COUNTRY OWNERSHIP (CONTINUED)

Sub-Criteria	Score Guide / Sub-Criteria Description	Score	Weighting	Total
3.4 9. Political will and commitment	<p>High political will and commitment (5)</p> <p>Rigorous consultations have taken place. There is evidence of support by local authorities at the community level (e.g., signed agreements, endorsements). Subnational and National level support is clear in the proposal.</p>		1.0	
	<p>Medium political will and commitment (3)</p> <p>There is evidence of consultations but lacks rigour in consultations. Not all relevant stakeholders and levels of authorities consulted.</p>			
	<p>Low political will and commitment (1)</p> <p>There is limited evidence of consultation with authorities at all development interventions.</p>			
3.5 10. Potential/degree of environmental and social risks	<p>No or Low risk (5)</p> <p>The resilient solutions will still work after 15 years, strong Environmental and Social safeguards, clear and solid environmental and social management plan, mitigation plans for risks.</p>		1.0	
	<p>Medium risk (3)</p> <p>Environmental and social risks outlined but need full and detailed plan on how to mitigate, respond, avoid, transfer risks.</p>			
	<p>High risk (1)</p> <p>The solutions may only work for first 5 years e.g. danger of solving a problem only to create a new one with unintended consequences e.g. e-waste.</p>			

4. SDG

Sub-Criteria	Score Guide / Sub-Criteria Description	Score	Weighting	Total
4.1 11. SDG (Environmental, Economic, Social, Co-benefits achieved)	<p>High number (5)</p> <p>More than 5 SDGs.</p>		0.8	
	<p>Medium number (3)</p> <p>3 SDGs</p>			
	<p>Low number (1)</p> <p>1 SDG.</p>			

5. NEEDS OF THE RECIPIENTS

Sub-Criteria	Score Guide / Sub-Criteria Description	Score	Weighting	Total
5.1 12. Social and cultural acceptability (degree of acceptability by target group)	High acceptance (5) e.g. Well adopted and strongly promoted by the community e.g. solar mini-grid for domestic and productive uses.		1.0	
	Medium acceptance (3) Good technology but lack endorsement and support by community and area.			
	Low acceptance (1) e.g. Good technology but poor user-friendliness e.g. improved cookstove that gives poor food taste.			
5.2 13. Types of beneficiary engaged (vulnerable, youth, big agribusiness vs. smallholders)	High participation (5) All groups targeted and benefitted, disaggregated by gender.		1.0	
	Medium participation (3) All groups included, but no clear targets, poor data and information about beneficiaries.			
	Low participation (1) Only benefit a few, dominated by large agri-business, unclear target groups, no target groups.			
5.3 14. Gender responsiveness	High responsiveness (5) Women and youth are beneficiaries and actively participate and their full participation is deemed as critical to the success of the project.		1.0	
	Medium responsiveness (3) Women and youth seen as mere beneficiaries, and participation will suffice.			
	Low responsiveness (1) Only paying lip service to women and youth participation, 'box ticking' exercise with limited impact on women and youth.			

6. COST EFFICIENCY AND EFFECTIVENESS

Sub-Criteria	Score Guide / Sub-Criteria Description	Score	Weighting	Total
6.1 15. Upfront investment cost of the technologies	Low or affordable upfront cost (5) Solar, energy efficient solutions.		1.0	
	Medium upfront cost (3) Investment in hybrid technology solutions.			
	High upfront cost (1) e.g. nuclear, desalination.			
6.2 16. Implementing, operational (O) and maintenance (M) cost	Low or affordable cost (5) High opportunity to cover O and M cost e.g. high revenue and viable business model to cover O and M cost.		1.0	
	Medium cost (3) Medium opportunity to cover O and M cost.			
	High cost (1) Limited opportunity to cover the O and M cost.			
6.3 17. Ease of implementation	Easy to implement (5) High level of support from all relevant stakeholders to ensure easy implementation and access to services, resources and support.		0.8	
	Medium ease to implement (3) Here is degree of difficulty to implement the project, but a risk plan to ensure easy of implementation is outlined			
	Difficult to implement (1) Inherent level of risk to implementation in the area exists, but no plan to ensure ease of implementation.			
TOTAL EVALUATION SCORE				

SCORE: (Sum of the Sub-criteria for each GCF Investment Criterion)

TOTAL: (Score x Weighting)

TABLE 3: PROPOSAL SUMMARY TABLE

PROPOSAL TITLE	<input type="text"/>		
PROPOSED FUNDING REQUEST (USD):	<input type="text"/>	PROPOSED FUNDING REQUEST (LOCAL \$):	<input type="text"/>
CO-FINANCING (USD):	<input type="text"/>	CO-FINANCING (LOCAL \$):	<input type="text"/>
AE / DELIVERY PARTNER:	<input type="text"/>	EE / EE PARTNER:	<input type="text"/>
AE EMAIL:	<input type="text"/>	EE EMAIL:	<input type="text"/>
NDA RECEIPT DATE:	<input type="text"/>	NDA RESPONSIBLE:	<input type="text"/>
TWG SUBMISSION:	<input type="text"/>	TWG REP EMAIL:	<input type="text"/>
TWG SCREENING NUMBER:	<input type="text"/>	SCREENING DATE:	<input type="text"/>
TOTAL EVAL. SCORE	<input type="text"/>	PROPOSED CATEGORY:	<input type="text"/>

HOW DOES THE GCF SELECT WHICH PROJECTS TO FINANCE?

The GCF Board considers a number of factors, including the project's expected performance vis-à-vis its six investment criteria.

1	IMPACT POTENTIAL	Potential of the programme/project to contribute to the achievement of the Fund's objectives and results areas.
2	PARADIGM SHIFT POTENTIAL	Degree to which the proposed activity can catalyze impact beyond a one-off project or programme investment.
3	SUSTAINABLE DEVELOPMENT POTENTIAL	Wider benefits and priorities, including environmental, social and economic co-benefits as well as gender-sensitive development impact.
4	NEEDS OF RECIPIENT	Vulnerability and financing needs of the beneficiary country and population in the targeted group.
5	COUNTRY OWNERSHIP	Beneficiary country ownership of and capacity to implement a funded project or programme (policies, climate strategies and institutions).
6	EFFICIENCY & EFFECTIVENESS	Economic and, if appropriate, financial soundness of the programme/project, and for mitigation-specific programmes/projects, cost-effectiveness and co-financing.

Annex 1: Brief definition of the six GCF investment criteria (source: Leavai, P. (2019). GCF Regional Consultation Workshops: GCF Investment Criteria and example projects [PowerPoint presentation]. Port Moresby, PNG).

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