

Final Report of the Evaluation of IKI Medium Grants

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Executive Summary

The IKI Medium Grants (IMG) were introduced in 2020 as a separate funding instrument within the International Climate Initiative (IKI). The main purpose of the IMG is to promote innovative bottom-up contributions from civil society to implement the IKI goals, particularly with regards to capacity building. On the one hand, they should fit in with the strategic objectives of the entire IKI and, on the other hand, aim to achieve specific IMG objectives that result from the impact logic developed specifically for the funding instrument.

Zukunft - Umwelt - Gesellschaft (ZUG) gGmbH has been entrusted with the IMG as the federal project management agency and implements the programme independently - in continued close coordination with the Federal Ministry for Economic Affairs and Climate Protection (BMWK) and the Federal Ministry for the Environment, Nature Conservation, Nuclear Safety and Consumer Protection (BMUV).

IMG projects have a volume of EUR 300,000 to 800,000 and are carried out by German civil society implementing organisations (DO) together with implementing partners (DP) in one or two partner countries of German development cooperation. By May 2024, 27 projects with a total volume of around EUR 18 million had been commissioned as part of three calls for funding. A further nine projects from the IMG Call 2023 were in the approval phase at the time of the evaluation. Two selected project outlines (one each from the IMG Call 2022 and 2023) were not earmarked for approval due to budget cuts.

Subject, purpose and methodological approach of the evaluation

The subject of the evaluation is the IKI Medium Grants funding instrument including the 27 projects commissioned to date. In particular, the evaluation was intended to present the effects achieved to date and to identify potential for further development and challenges for the funding instrument. It should be noted that at the time of the evaluation, only three projects had been completed and only one final report was available. Nevertheless, the evaluation uses a combination of different data collection instruments to provide a comprehensive interim status at the end of the first project cycle of up to three years.

This final report presents the results of the evaluation of the IKI Medium Grants carried out in 2024. This was carried out by ZUG's Monitoring, Evaluation and Impact Analysis team with the support of two external consultants for the case studies in Vietnam and Nepal.

The evaluation primarily serves to further develop the IKI Medium Grants funding instrument as part of the IKI programme family. To this end, an initial assessment of the IMG's success will be carried out - as far as possible - using the evaluation criteria and questions below. On the other hand, open questions for optimising and supplementing the IMG are also explicitly posed. Specifically, 15 evaluation questions were identified during the initial phase, which can be assigned to the evaluation criteria of relevance, effectiveness, efficiency, impact and sustainability and focus on potential for further development.

The evaluation pursued a theory-based approach, i.e. it analysed the intended objectives, impacts and potential for further development along the IMG impact logic presented and on the basis of the impact logics reconstructed for the projects to be evaluated in depth.

Specifically, the following data collection methods were used to answer the evaluation questions:

- document analysis: Analysis of documents and data produced or analysed by the IKI Office to manage the IMG (e.g. funding announcements, report templates, strategy documents of the federal ministries, project proposals and interim project reports)
- semi-structured interviews: Based on target group-specific interview guidelines, interviews were conducted with implementing organisations and partners as well as

project stakeholders during the project visits; interviews were also conducted with selected persons from the IKI administration environment

- focus groups: two focus groups were conducted with implementing organisations and partners to explore the exploratory questions and to classify hypotheses and findings already obtained
- online survey: most recently, the annual online survey with implementing organisations, implementing partners and applicants was used as part of regular monitoring to gather information on effectiveness, to classify the quality of service provision and to validate selected hypotheses from the project visits with the other IMG projects

Conclusions

With regards to the evaluation questions on **relevance** and potential for further development, it has been shown that the IMG fit in well with the IKI instruments and generally meet the needs of the civil society target groups. The implementers surveyed value the IMG for the fact that they promote relevant and locally visible projects focussing on the implementation of concrete activities together with local communities and stakeholders. In their view, this can strengthen the self-confidence, wealth of experience and external perception of civil society organisations. At the same time, they would like more support, particularly with administrative processes and the search for further funding opportunities. As more and more IMG projects are coming to an end, the conclusion of the evaluation seems to be an ideal time not only to reflect on the networking of projects within the IKI, but also to reflect on the scaling of successful pilots and, if necessary, to drive them forward. In this context, IMG calls could be used on the one hand to test more innovative or riskier topics on a smaller scale and learn from them for possible scaling. On the other hand, linking with other IKI instruments offers the potential to further develop successful local pilots in the partner countries and, if necessary, to scale them up.

With regard to the **effectiveness** of the IMG, it can be summarised that the intended capacity building of civil society actors and the implementation of "innovative bottom-up" approaches is visible and that in the projects examined in depth, further uptake of the piloted approaches by the implementing partners themselves or their target groups is taking place or is planned. At the same time, it must be recognised that an improved perception of civil society and its international networking beyond the project partners can only be observed in part. Although the data collected, particularly in the case studies, does indeed reveal positive assessments in this regard, this is not in the form or to the extent envisaged by the existing indicators. For example, with the exception of awareness of the projects among decision-makers, the survey does not reveal a clearly positive trend with regards to the perception of civil society as the project progresses. Furthermore, while the cooperation and networking of the civil society organisations involved in the implementation is rated as predominantly positive, there is only limited networking among the target groups beyond this.

Despite this limitation, it was found that direct and often practical cooperation with civil society target groups leads to a high level of satisfaction, ownership and sometimes increased access to political decision-makers. The aspects identified as success factors in the course of the evaluation in relation to the project design were also considered to be largely accurate by the implementing organisations and implementing partners surveyed. For example, the majority of survey participants rated participatory and collaborative project implementation, a high level of ownership by the target groups, the creation of suitable incentives and the financing of physical objects as important success factors for their projects. In order to further emphasise these aspects for the achievement of objectives in the project context on the one hand, and for IKI in general on the other hand, it could be useful to distinguish more clearly between the dissemination of already tried and tested approaches in a new context and the piloting of completely new approaches.

The **efficiency** of the IMG can only be evaluated to a limited extent, but it can be described in terms of various dimensions of economic efficiency. To date, 38 projects with a total volume of EUR 25.8 million have been selected (average volume approx. EUR 679,000), of which three projects had been completed at the time of data collection. In terms of the efficiency of the measures, the case study projects and the only final report available to date make visible contributions to the IMG's outcome objectives, although not to the extent originally envisaged in terms of improved awareness (OC2) and international networking of civil society beyond the DO/DP network (OC3). However, these qualitative statements cannot be compared in monetary terms, particularly at this early stage.

With regard to the efficiency of implementation, it can initially be stated that the project management agency rate of 18% is comparatively high, partly due to the low project budgets in the IKI context, a relatively small number of projects and the fact that the start-up phase has just come to an end. Moreover, some aspects of programme management are in need of improvement from the perspective of applicants, implementing organisations and implementing partners. Based on this, the IKI Office of ZUG has identified a number of measures for optimisation, some of which are already reflected in the results of the survey (e.g. tendency towards improved assessment of the application process and of the reasons for the rejection of grant applications) and some of which are currently being implemented (e.g. bundling of technical project management in one team). However, the administrative and financial monitoring of projects in particular, which is sometimes perceived as too complex, still requires clearer coordination of responsibilities and standard processes in order to achieve the intended effect. It should also be ensured that the stronger bundling of resources for the IMG does not stand in the way of an intensified transfer of knowledge to other IKI funding instruments.

With regard to the **impact** of the IMG, it is not methodologically possible to directly observe effects, but a contribution to civil society voices being taken up by partner governments at different levels seems entirely plausible. The case study projects have shown that the work at local level can create the conditions for administrations in other regions to take up the approaches or incorporate them into policy processes. In Nepal, for example, there is the possibility that the approaches to more sustainable community-based forest utilisation can also influence further forest policy. The example in Vietnam suggests that strengthening underrepresented actors as part of an IMG project in addition to dialogue with political actors as part of large-scale IKI projects and energy partnerships could also prove useful for other countries with less room for manoeuvre for civil society.

The document analysis has shown that IMG projects are generally designed to contribute to two of the IKI strategy objectives and several of the success factors identified in the IKI strategy. The operationalisation of the IKI strategy objectives has not yet been completed, so it was not possible to carry out a thorough investigation, but the impact pathways identified in the case study projects indicate possible contributions to the strategy objectives. In addition, with regards to the success factor "international networking", it was noticeable that increased networking of civil society actors within and between IKI partner countries ("South-South networking") was observed as a non-intended impact.

There are initial positive signs of the IMG's **sustainability**. Firstly, it can be noted that all three projects analysed in depth show signs of the continuation or further development of the approaches developed. The survey also indicates that projects can have an impact even after the end of their term. For example, a majority of the implementing organisations and implementing partners can imagine working together in the future and report how the project has enabled organisations to expand their knowledge, network and project portfolio. In addition, the largely positive assessment of the success factors identified for IMG projects with regards to participatory project implementation, the high level of ownership by the target

groups and the creation of suitable incentives suggest that the project effects can be long-lasting.

Recommendations for action

To the *Federal Ministries* responsible for the IKI:

1. Design the thematic priorities of the IMG in such a way that findings can be used for learning in line with the IKI strategy
2. Enable scaling of successful pilots

To the *IKI Office at ZUG*:

3. Explore options to further streamline reporting and review activities in line with the Federal Budget Code
4. Develop formats to enable systematic learning from IMG projects
5. Reflect to what extent a differentiation between piloting new approaches for the project context and piloting for learning within IKI can be useful
6. Facilitate access to government representatives for implementing organisations
7. Reflect on the extent to which local implementing partners can be better supported as central organisations on site
8. Reflect on how the benefits of the debriefing meetings with implementing organisations and implementing partners can be further strengthened
9. Readjust the M&E system, taking into account economic efficiency aspects and with a view to monitoring the IKI Strategy 2030
10. Address the reported limitations and success factors when implementing further M&E measures, in particular the external evaluation planned for 2027

To the IMG's *implementing organisations and implementing partners*:

11. Building on the disaggregated presentation of target groups, ensure that they receive sufficient incentives to participate
12. Ensure that political (e.g. elections) and socio-economic (e.g. market fluctuations) risks are sufficiently taken into account