

54th GEF Council Meeting
June 24 – 26, 2018
Da Nang, Viet Nam

Agenda Item 03

ANNOTATED PROVISIONAL AGENDA

Agenda Item 01.

Opening of the Meeting

1. The meeting will be opened by Naoko Ishii, CEO/Chairperson of the Facility.

Agenda Item 02.

Election of a Chairperson

2. In accordance with paragraph 18 of the Instrument, a Chairperson will be elected from among the Members of the Council. Paragraph 18 provides that the position of elected Chairperson will alternate from one meeting to another between Council Members from developed and developing countries. The elected Chairperson at the previous Council meeting was the Council Member representing Cook Islands, Fiji, Indonesia, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Palau, Papua New Guinea, Philippines, Samoa, Solomon Islands, Timor Leste, Tonga, Tuvalu, Vanuatu.

Agenda Item 03.

Adoption of the Agenda

3. In addition to this document GEF/C.54/02, *Annotated Provisional Agenda*, a Provisional Agenda for consideration by the Council has been issued as document GEF/C.54/01.
4. *The Council is invited to adopt the agenda for the meeting.*

Agenda Item 04.

Summary of the Negotiations of the Seventh Replenishment of the GEF Trust Fund

5. Document GEF/C.54/19/Rev.02, *Summary of Negotiations of the Seventh Replenishment of the GEF Trust Fund*, highlights the main items that were considered during the replenishment negotiations. It is not a comprehensive report of all the detailed discussions that took place during the negotiating process. The discussions at specific meetings are detailed in the Co-Chairs' summaries of each replenishment meeting.
6. Draft decision: *The Council, having reviewed the Summary of Negotiations of the Seventh Replenishment of the GEF Trust Fund (Document GEF/C.54/19/Rev.02), welcomes the successful conclusion of the replenishment, takes note of the Summary, and endorses the programming directions (Annex A) including the allocations of resources set forth therein, the policy recommendations (Annex B), and the Draft Replenishment Resolution (Annex C).*

7. *The Council requests the CEO/Chairperson of the Facility to transmit this Summary to the World Bank with a request that the World Bank Executive Directors be invited to adopt Annex C to this Summary, Draft World Bank Resolution No. [IBRD 2018-xxx], The Global Environment Facility Trust Fund: Seventh Replenishment of Resources, thereby authorizing the World Bank, as Trustee of the GEF Trust Fund, to manage the resources made available under GEF-7.*

Agenda Item 05.

GEF Gender Implementation Strategy

8. Document GEF/C.54/06, *GEF Gender Implementation Strategy*, introduces new principles and requirements to mainstream gender in the design, implementation, and evaluation of GEF programs and projects. It marks a distinct shift in GEF’s approach to gender mainstreaming—from a gender-aware “do no harm” approach to a gender-responsive “do good” approach that will allow the GEF to more strategically seize opportunities to address gender gaps critical to the achievement of global environmental benefits.
9. Draft decision: *The Council, having reviewed document GEF/C.54/06, The GEF Gender Implementation Strategy, welcomes the strategy and requests the Secretariat to provide annual updates on the progress in line with the results framework contained in Annex I of the document.*

Agenda Item 06.

Updated Co-Financing Policy

10. Document GEF/C.54/10, *Updated Co-Financing Policy*, pursuant to the policy recommendations agreed by the Participants to the seventh replenishment of the GEF Trust Fund (GEF-7), presents for Council consideration an updated Co-Financing Policy (Annex I) that would supersede the current policy that was approved in 2014.
11. Draft decision: *The Council, having reviewed document GEF/C.54/10, Updated Co-Financing Policy approves the Policy contained in Annex I to the document, which supersedes the Co-Financing Policy of May 2014 (Council document GEF/C.46/09).*
12. *The Council requests the Secretariat to monitor the implementation of the Policy and report on progress, results and lessons learned at the 59th Council meeting in the Fall of 2020.*

Agenda Item 07.

Strengthening the GEF Partnership

13. Document GEF/C.54/08, *Strengthening the GEF Partnership*, pursuant to the policy recommendations agreed by the Participants to the seventh replenishment of the GEF Trust Fund (GEF-7), presents for Council consideration an updated Co-Financing Policy (Annex I) that would supersede the current policy that was approved in 2014.
14. Draft decision: *The Council, having reviewed document GEF/C.54/08, Strengthening the GEF Partnership takes note of the analysis carried out by the Secretariat.*
15. *With a view to promoting a level playing field for all GEF Partner Agencies, the Council approves the following policy measures, effective on July 1, 2018:*
 - (i) *removal of the ceiling on the size of individual GEF projects for the GEF Project Agencies; and*
 - (ii) *removal of the 20% ceiling for the share of GEF financing of a GEF Project Agency's total portfolio.*
16. *The Council takes note of the GEF-7 policy recommendation on the application of a ceiling of 30% on the GEF's share of an Agency's portfolio, applicable to all Agencies. The Council requests that the Secretariat, in collaboration with all Agencies, present complete and up-to-date information on the GEF's share of each Agency's portfolio, and a suggested way forward regarding the 30% ceiling, at the 55th Council meeting in the Fall of 2018.*
17. *The Council further takes note of the GEF-7 policy recommendation requesting the Secretariat continue to monitor the geographic and thematic coverage, as well as the effectiveness, efficiency and engagement of the GEF Partnership, and report on its findings at the 57th Council meeting in the Fall of 2019.*

Agenda Item 08.

Private Sector Advisory Group Terms of Reference

18. Document GEF/C.54/13, *Private Sector Advisory Group Terms of Reference*, proposes the terms of reference (TOR) that, if adopted by the Council, will guide the Secretariat in establishing an Advisory Group to inform the development of the GEF-7

private sector strategy with special emphasis on Impact Programs and other relevant projects, and investments by the Non-Grant Instruments window.

19. Draft decision: *Having reviewed GEF/C.54/13, the Council approves the proposed TOR for the Private Sector Advisory Group and requests the Secretariat to present a proposal for a strategy on private sector engagement, with inputs from the Advisory Group, for consideration for Council in Spring 2019.*

Agenda Item 09.

Updating the System for Transparent Allocation of Resources (STAR)

20. Document GEF/C.54/03, *Updating the System for Transparent Allocation of Resources (STAR)*, presents for Council consideration a STAR Policy (Annex I) that captures the modifications agreed by Participants, along with key features of STAR as per previous Council decisions. To enhance transparency and to support the effective implementation of the proposed policy, the STAR Guidelines contained in Annex II provide further details on procedural steps and practices.
21. Draft decision: *The Council, having reviewed document GEF/C.54/03, Updating the System for Transparent Allocation of Resources (STAR), approves the STAR Policy contained in Annex I, which replaces and supersedes all relevant previous Council decisions regarding STAR.*
22. *The Council also requests that the Independent Evaluation Office evaluate STAR as part of its Seventh Comprehensive Evaluation of the GEF (OPS7), and that it share its findings, conclusions and recommendations in sufficient time to inform the negotiations on the eighth replenishment of the GEF Trust Fund.*

Agenda Item 10.

GEF Business Plan and Corporate Budget for FY19

23. Document GEF/C.54/18, *GEF Business Plan and Corporate Budget for FY19*, presents the administrative budget request for FY19 of the Secretariat, the Scientific and Technical Advisory Panel (STAP), and the Trustee under the GEF Trust Fund.¹ As in the past, the budget of the Independent Evaluation Office (IEO)

¹ FY19 is the final year of the GEF-6 administrative budget cycle and the first year of the GEF-7 operational cycle.

is presented separately. The section also reports on budget execution in the current fiscal year, FY18.

24. Draft decision: *The Council, having reviewed document GEF/C.54/18, GEF Business Plan and Corporate Budget for FY19, takes note of the business plan, and approves a FY19 corporate budget from the GEF Trust Fund of US\$27.971 million, comprised of:*
 - (a) *US\$22.466 million for the GEF Secretariat;*
 - (b) *US\$2.725 million for STAP; and*
 - (c) *US\$2.780 million for the Trustee*
25. *The Council also approves a total FY19 administrative budget for the Nagoya Protocol Implementation Fund (NPIF) of US\$20,300, comprised of the following allocations from the NPIF to cover the Secretariat's and Trustee's expenses for NPIF administration and implementation:*
 - (a) *US\$14,500 for the GEF Secretariat; and*
 - (b) *US\$5,800 for the Trustee*
26. *The Council also approves a total of US\$0.517 million for the FY19 budget for the Capacity-building Initiative for Transparency (CBIT) Trust Fund, comprised of the following allocations to cover the Secretariat's and Trustee's expenses for CBIT administration and implementation:*
 - (a) *US\$0.485 million for the GEF Secretariat; and*
 - (b) *US\$0.032 million for the Trustee*
27. *The Council requests the Secretariat, in consultation with STAP and the Trustee, to present a combined FY20 corporate budget and business plan for discussion at its 2019 spring meeting.*

Agenda Item 11.

Terms of Reference and Membership of the Working Group on Governance

28. Document GEF/C.54/17, *Terms of Reference and Membership of the Working Group on Governance*, describe the focus of work of the ad-hoc working group on governance (the Working Group) as well as the composition and modalities of work, including timelines.

29. Draft decision: *The GEF/C.54/17, Terms of Reference and Membership of the Working Group on Governance, establishes an Ad-hoc Working Group on Governance made up of eight Council Members or Alternates appointed by the Council to follow up on the findings of OPS6 with regard to the governance of the GEF Partnership and to make recommendations for consideration by Council to further improve efficiency, accountability and transparency. The Working Group will operate between June 2018 and December 2019, when it will present draft recommendations to Council.*

Agenda Item 12.

Identification of Issues Related to Anti-Money Laundering and Combating the Financing of Terrorism

30. Document GEF/C.54/09/Rev.01, *Identification of Issues Related to Anti-Money Laundering and Combating the Financing of Terrorism*, describes the ways in which the risks associated with money laundering and the financing of terrorism are currently addressed in the management of GEF funds, and identifies an area for improvement in the context of the on-going review of the GEF's minimum fiduciary standards.
31. Draft decision: *The Council, having reviewed document GEF/C.54/09/Rev.01, Identification of Issues Related to Anti-Money Laundering and Combating the Financing of Terrorism, takes note of the issues identified.*
32. *The Council requests the Secretariat, in collaboration with the Trustee, to present for Council consideration at its 55th meeting in the Fall of 2018 a proposal to update the Minimum Fiduciary Standards to close any immediate gaps related to anti-money laundering and combating the financing of terrorism (AML/CFT) in accordance with the principles stated in Paragraph 14 of this document.*

Agenda Item 13.

Updated Results Architecture for GEF-7

33. Document GEF/C.54/11/Rev.01, *Updated Results Architecture for GEF-7*, provides an overview of the GEF-7 results architecture, including indicators, targets, monitoring and reporting requirements, as well as associated guidelines, methodologies and tools. Pending a complete update of the 2010 *Monitoring and Evaluation Policy*, which will be presented for Council consideration at its next meeting in the Fall of 2018, the document seeks Council approval of a limited number of

changes to project and program -level monitoring and reporting requirements that are critical for GEF-7 readiness.

34. Draft decision: *The Council, having reviewed document GEF/C.54/11/Rev.01, Updated Results Architecture for GEF-7, notes with appreciation the proposed measures to enhance the capture, monitoring and reporting of results across the GEF portfolio.*
35. *To enable the timely operationalization of the proposed results architecture, the Council approves the monitoring and reporting requirements described in Box 2 (p. 11) of this document, effective July 1, 2018, and requests the Secretariat and the Independent Evaluation Office to include those requirements in an updated version of the 2010 Monitoring and Evaluation Policy.*

Agenda Item 14.

Report of the Chairperson of the Scientific and Technical Advisory Panel

36. The Chairperson of the Scientific and Technical Advisory Panel (STAP) will be invited to make a statement to the Council on the work of the Panel. A written report of the Chairperson can be found in document GEF/STAP/C.54/Inf.01, *Report of the Chairperson of the Scientific and Technical Advisory Panel*. An opportunity will be provided for Council Members to comment on the report, address questions to the Chairperson, and provide guidance to the Panel, as appropriate.

Agenda Item 15.

Semi-Annual Evaluation Report June 2018

37. Document GEF/ME/C.54/01, *Semi-Annual Evaluation Report June 2018*, presents a brief summary of the conclusions of the evaluations completed by the IEO during the reporting period (November 2017-May 2018). These include the Annual Performance Report 2018 with a special focus on project sustainability, and a methodological approach which applies ecological forecasting using geospatial tools to measure and forecast environmental impacts in Kenya. The SAER also includes an update on ongoing evaluations, the knowledge management activities in the office, and the IEO Budget for FY19, the IEO draft indicative budget and work program for GEF-7, the Management Action Record which reports on the status of implementation of IEO evaluation recommendations. The full evaluation reports of the evaluation, the ecological forecasting

methodological paper, and the Management Action Record are included as information documents.

38. Draft decision: *Regarding the Semi-Annual Evaluation Report of the Independent Evaluation Office. The Council, having reviewed the "Semi-Annual Evaluation Report of the GEF Independent Evaluation Office: June 2018," approves the IEO Budget for FY2019.*

Agenda Item 16.

Relations with the Conventions and Other International Institutions

39. Document GEF/C.54/15, *Relations with the Conventions and Other International Institutions*, provides the Council with an update on the activities of the Global Environment Facility (GEF) in support of the following multilateral environmental agreements (MEAs): the Convention on Biological Diversity (CBD), the United Nations Convention to Combat Desertification (UNCCD), the United Nations Framework Convention on Climate Change (UNFCCC), the Stockholm Convention on Persistent Organic Pollutants (the Stockholm Convention), the Montreal Protocol on Substances that Deplete the Ozone Layer (the Montreal Protocol), and the Minamata Convention on Mercury. The document also provides information on relations between the GEF Secretariat and other international conventions, institutions, and fora.
40. Draft decision: *The Council, having considered document GEF/C.54/15, Relations with the Conventions and Other International Institutions, welcomed the report and requested the GEF network to continue to work with recipient countries to reflect the guidance and national priorities in their GEF programming and activities.*
41. Document GEF/C.54/16, *Memorandum of Understanding between the Conference of the Parties to the United Nations Convention to Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly Africa and the Council of the Global Environment Facility*, as adopted by the thirteenth Conference of the Parties to UNCCD is herewith submitted to the GEF Council for approval.
42. Draft decision: *The Council, having considered document GEF/C.54/16, Memorandum of Understanding between the Conference of the Parties to the United Nations Convention to*

Combat Desertification in Those Countries Experiencing Serious Drought and/or Desertification, Particularly Africa and the Council of the Global Environment Facility:

- (a) *Approves the Memorandum of Understanding as adopted by the thirteenth Conference of the Parties to the United Nations Convention to Combat Desertification in decision 11/COP.13 and as annexed to this document.*
- (b) *Requests the Secretariat of the Global Environment Facility and invites the Secretariat of the United Nations Convention to Combat Desertification to make appropriate arrangements to sign the Memorandum of Understanding on behalf of the Global Environment Facility Council and the Conference of the Parties.*

Agenda Item 17.

Work Program

- 43. Document GEF/C.54/14, *Work Program for GEF Trust Fund*, requests a total of \$500.7 million from the GEF trust fund and \$45.4 million in associated Agency fees. It contains an indicative \$300 million in cofinancing, meaning that each dollar provided by the GEF is matched by \$5.2 in co-financing provided by other sources. The size of this Work Program is relatively small, reflecting the availability of the funds for programming as of May 25. The entire resource envelope for GEF-6 has suffered from loss of funds due to the significant US dollar appreciation against all major currencies. Taking note of the decline in the projected availability of funds, the Council, at its 51st meeting in October 2016 agreed that Secretariat “undertake programming aiming to maintain the balance among the original allocations in the GEF-6 replenishment decision, assisting least developed countries and small island developing states in accessing resources, and supporting core obligations to the conventions for which the GEF is a or the financial mechanism”² In adherence to this decision, the proposed Work Program emphasizes funding for LDCs and SIDS while promoting a fairly balanced programming among focal areas in GEF-6 to date. If the proposed Work Program is approved by Council, all projects from LDCs and SIDS that were technically cleared to date will have been programmed in the GEF-6 cycle, as well as requests for funding of convention obligations.
- 44. Draft decision: *The Council, having reviewed document GEF/C.54/14, Work Program for GEF Trust Fund, approves the*

Work Program comprising 8 projects and one program concept, subject to comments made during the Council meeting and additional comments that may be submitted in writing to the Secretariat by July 24, 2018.

45. *Total resources approved in this Work Program amounted to \$63.4 million which include GEF project financing and Agency fees.*

Agenda Item 18.

GEF Small Grants Programme: Implementation Arrangements for GEF-7

46. Document GEF/C.54/05, *GEF Small Grants Programme: Implementation Arrangements for GEF-7*, presents an update of the Small Grants Programme (SGP) of the Global Environment Facility (GEF), laying out its strategic and operational directions under the seventh phase of the GEF Replenishment (GEF-7). It also identifies key implementation arrangements for the overall operation of the Programme, as well as the continuation of Upgraded SGP Country Programmes in GEF-7. Marking the 25th anniversary of the SGP, this paper also provides the Programme's revised vision and strategy moving forward.
47. Draft decision: *The Council, having reviewed document GEF/C.54/05, GEF Small Grants Programme: Implementation Arrangements for GEF-7, takes note of the implementation arrangements and approves the proposed financing structure for the GEF-7 Small Grants Programme (SGP).*
48. *The Council requests the Secretariat and UNDP, in collaboration with relevant stakeholders, to keep under review the criteria for eligibility to core funds, and to propose any changes for Council consideration with a view to ensuring an equitable deployment of SGP support over time.*
49. *In addition, the Council requests UNDP, in consultation with the Secretariat, to prepare a paper describing the approach and the criteria for the retained allocation of core funds to countries for Council information at its 55th meeting in the Fall of 2018.*

Agenda Item 19.

Country Support Program Implementation Arrangements for GEF-7

50. Document GEF/C.54/04, *Country Support Program Implementation Arrangements for GEF-7*, presents the proposal

for the Secretariat to execute the Country Support Program according to the procedures contained therein.

51. Draft decision: *The Council, having reviewed document GEF/C.54/04, Country Support Program Implementation Arrangements for GEF-7, approved the proposal for the Secretariat to execute the Country Support Program according to the procedures contained therein.*
52. *The Country Support Program will include the following elements, funded by the GEF Trust Fund, with a total allocation of US\$21 million, to be allocated for each activity as specified below:*
 - (a) GEF National Dialogues: US\$1.7 million;
 - (b) GEF Workshops: US\$13 million
 - (c) GEF Constituency Meetings: US\$5 million;
 - (d) GEF Introduction Seminars: US\$1 million; and
 - (e) Pre-Council meetings for Recipient Country Council Members/Alternates: US\$0.3 million.
53. *The Council directed the Trustee to set aside US\$21 million in GEF Trust Fund resources for use by the Secretariat to fund these activities.*

Agenda Item 20.

Strengthening Consultations with Civil Society: Proposed Topic for Discussion at the Consultations of the 55th GEF Council Meeting

54. Document GEF/C.54/07, *Strengthening Consultations with Civil Society: Proposed Topic for Discussion at the Consultations of the 55th GEF Council Meeting*, proposes a topic to be addressed at the Council Consultations with CSOs on the day preceding the 55th Council Meeting, to be held in December 2018. The Council in its deliberations may choose to select a different topic. It also provides a summary of the actions taken to date by the GEF Secretariat (Annex 1) in an effort to guarantee a process that is transparent in terms of the selection of CSO representatives at the 54th Council Meeting and the Sixth GEF Assembly, and that adheres to the guidelines and criteria contained in the Updated Vision paper.

55. Draft decision: *The Council, having considered Document GEF/C.54/07, Strengthening Consultations with Civil Society: Proposed Topic for Discussion at the Consultations of the 55th GEF Council Meeting, selects the following topic to be addressed as part of the Consultations in the next Council meeting, to take place in December 2018: Connecting Environmental Impact and Gender Equality.*

Agenda Item 21.

Report of the Selection and Review Committee
(Executive Session)

56. The Selection and Review Committee will present its report to the Council for consideration and appropriate decision.

Agenda Item 22.

Membership of the Ethics Committee

57. Document GEF/C.54/12, *Membership of the Ethics Committee*, presents successors in the Ethics Committee to Council Members that no longer serve on the Council.
58. Draft decision: The Council, having considered document GEF/C.54/12 approves the updated Membership of the Ethics Committee as follows:
- (a) Marita Olson, Sweden, to replace Mitchell Silk, United States, as Member of the Ethics Committee for the remainder of his term [Spring 2020].
 - (b) Martha Cuba, Peru, to replace Jose Antonio Gonzalez Norris, Peru, as Member of the Committee, and also to serve as the new Chair of the Committee, for the remainder of his term [Spring 2019].

Agenda Item 23.

Other Business

59. Members and the Chairs may raise any other business under this agenda item.
60. The Chair will inform the Council of possible dates for holding the 2019 Fall Council meeting.

Agenda Item 24.

Joint Summary of the Chairs

61. The Elected Chair and the CEO/Chairperson will present a joint summary of the conclusions of the meeting. Decisions approved

by the Council during the meeting will be included in the Chairs' Joint Summary.

Provisional Timetable

Sunday, June 24, 2018

09:00 – 09:30	Agenda Item 01.	Opening of the Meeting
	Agenda Item 02.	Election of a Chairperson
	Agenda Item 03.	Adoption of the Agenda
09:30 – 10:30	Agenda Item 04.	Summary of the Negotiations of the Seventh Replenishment of the GEF Trust Fund
10:30 – 11:30	Agenda Item 05.	GEF Gender Implementation Strategy
11:30 – 12:30	Agenda Item 06.	Updated Co-Financing Policy
12:30 – 14:00		General Lunch (Side Events)
14:00 – 15:00	Agenda Item 07.	Strengthening the GEF Partnership
15:00 – 15:30	Agenda Item 08.	Private Sector Advisory Group Terms of Reference
15:30 – 16:30	Agenda Item 09.	Updating the System of Transparent Allocation of Resources for GEF-7
16:30 – 17:30	Agenda Item 10.	GEF Business Plan and Corporate Budget for FY19
17:30 – 18:00	Agenda Item 11.	Terms of Reference and Membership of the Working Group on Governance
18:00 – 18:30	Agenda Item 12.	Identification of Issues Related to Anti-Money Laundering and Combating the Financing of Terrorism
18:30 – 19:00	Agenda Item 13.	Updated Results Architecture for GEF-7

Monday, June 25, 2018

09:00 – 10:00	Agenda Item 14.	Report of the Chairperson of the Scientific and Technical Advisory Panel
10:00 – 12:00	Agenda Item 15.	Semi-Annual Evaluation Report June 2018
12:00 – 13:30		General Lunch (Side Events)
13:30 – 14:30	Agenda Item 16.	Relations with the Conventions and Other International Institutions
14:30 – 15:30	Agenda Item 17.	Work Program
15:30 – 16:30	Agenda Item 18.	GEF Small Grants Programme: Implementation Arrangements for GEF-7
16:30 – 17:00	Agenda Item 19.	Country Support Program Implementation Arrangements for GEF-7
17:00 – 17:30	Agenda Item 20.	Strengthening Consultations with Civil Society: Proposed Topic for Discussion at the Consultations of the 55th GEF Council Meeting

Tuesday, June 26, 2018

08:30 – 09:30	Agenda Item 21.	Report of the Selection and Review Committee (Executive Session)
09:30 – 09:45	Agenda Item 22.	Membership of the Ethics Committee
09:45 – 10:15	Agenda Item 23.	Other Business
10:15 – 12:00		LDCF/SCCF Council Meeting
12:00 – 12:30	Agenda Item 24.	Joint Summary of the Chairs
12:30 – 14:00		General Lunch (Side Events)