



GEF-7 Policy Agenda

Second Meeting of the Seventh Replenishment of the GEF Trust Fund

Addis Ababa, Ethiopia

October 5, 2017

The background of the slide is a photograph of several burlap sacks filled with light-colored coffee beans. A metal scoop is visible on the right side, partially filled with beans. The scene is dimly lit, with the beans and the texture of the sacks being the primary focus.

Resource Allocation: Seeking Greater Impact and Country Ownership

WHAT WE PROPOSE:

- STAR retained
- full flexibility for countries
- downstream tracking of funds and results by focal area

STAR funding envelopes by focal area
(see proposed financing scenarios)



STAR country allocations

STAR retained, input data is being updated

The case for flexibility

Possible
advantages

Eases constraints to
integration and
systemic impact

Enhances country
ownership

Improves ability to
engage with the
private sector, MDBs

Possible
disadvantages

Reduced
predictability in
terms of resources
programmed by
focal area

1. Funds will be **allocated** by focal area (see proposed GEF-7 financing scenarios)

2. Countries will have full flexibility to **decide** on programming, seeking maximum relevance and impact

3. The programming of funds, and the global environmental benefits sought, will be **tracked** downstream, with regular reporting to Council and MEA COPs



Tracking funds by focal area: how it can be done

ALLOCATION

STAR Country Allocation
to Focal Area 1 = \$3

STAR Country Allocation
to Focal Area 2 = \$2

STAR Country Allocation
to Focal Area 3 = \$1

PROGRAMMING

Single-Focal Area Project
= \$1.5

Integrated Project with
Multiple Benefits = \$4.5

TRACKING

Funds Programmed to
Focal Area 1 = \$2

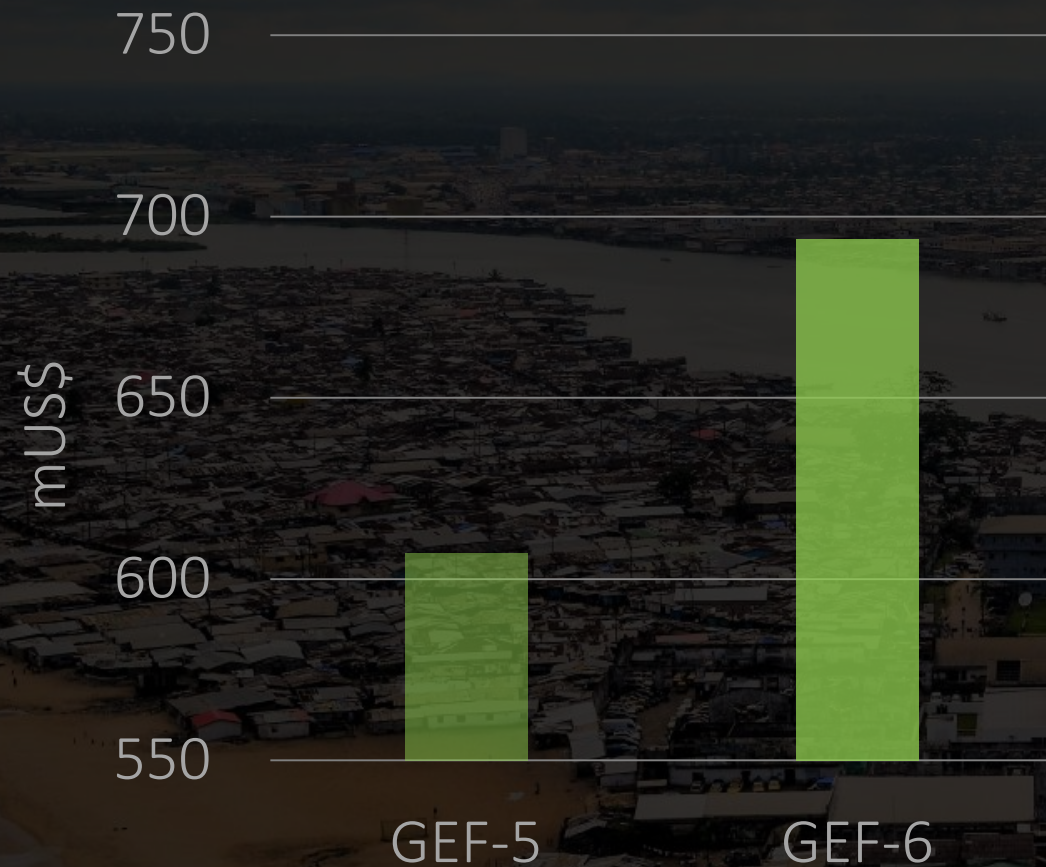
Funds Programmed to
Focal Area 2 = \$2.5

Funds Programmed to
Focal Area 3 = \$1.5

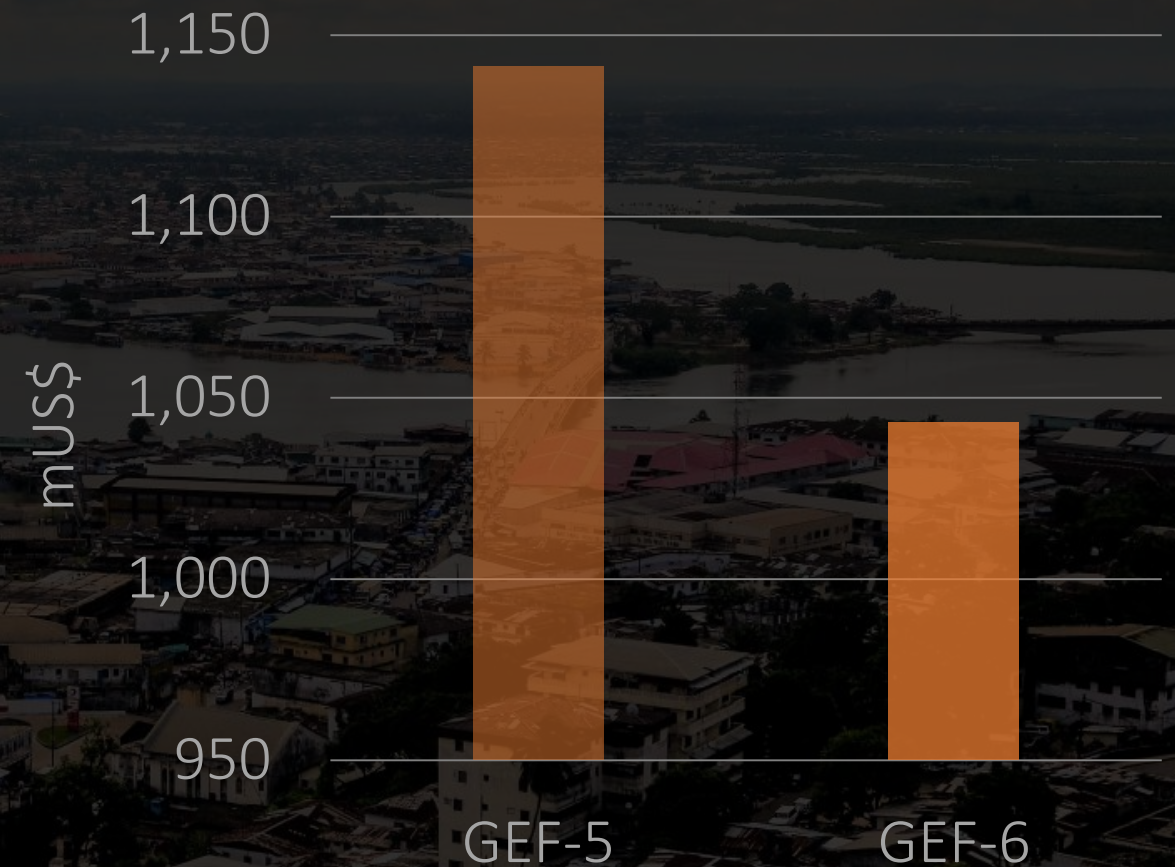
An aerial photograph of a coastal city, likely Lagos, Nigeria, showing a dense urban area with a mix of low-rise and mid-rise buildings. A large body of water, possibly a lagoon or river, runs through the middle of the city. In the foreground, a sandy beach is visible on the left. The sky is overcast with dark, heavy clouds. The text "Differentiation: Options to Adjust the Level and Terms of GEF Financing" is overlaid in white, sans-serif font across the middle of the image.

Differentiation: Options to Adjust the Level and Terms of GEF Financing

Changes to STAR have shifted the distribution of funding in GEF-6



GEF-6 modifications to STAR brought greater levels of funding to LDCs and SIDS... (total, indicative country allocations)



...while reducing country allocations to the HICs and UMICs that are not LDCs or SIDS



Which countries?

Differentiated terms of funding

What share of funds?

ANALYSIS: A broad-based shift from grants to non-grant instruments would have profound implications for the GEF's comparative advantage.

What instruments, what terms?



Results: Setting Ambitious Targets,
Continued Progress for Rigour and Transparency

Multiple benefits from integrated programs

GEF-6 Targets

Socio-economic co-benefits

Systemic impact



GEF-7 Targets

GEF-7: the case for higher ambition

GEF-6 targets

750

Million metric tons of CO2e mitigated

120

Million hectares of landscapes under sustainable land management in production systems

420

Million hectares of landscapes and seascapes under improved management for biodiversity

Possible GEF-7 targets (status quo financing scenario)

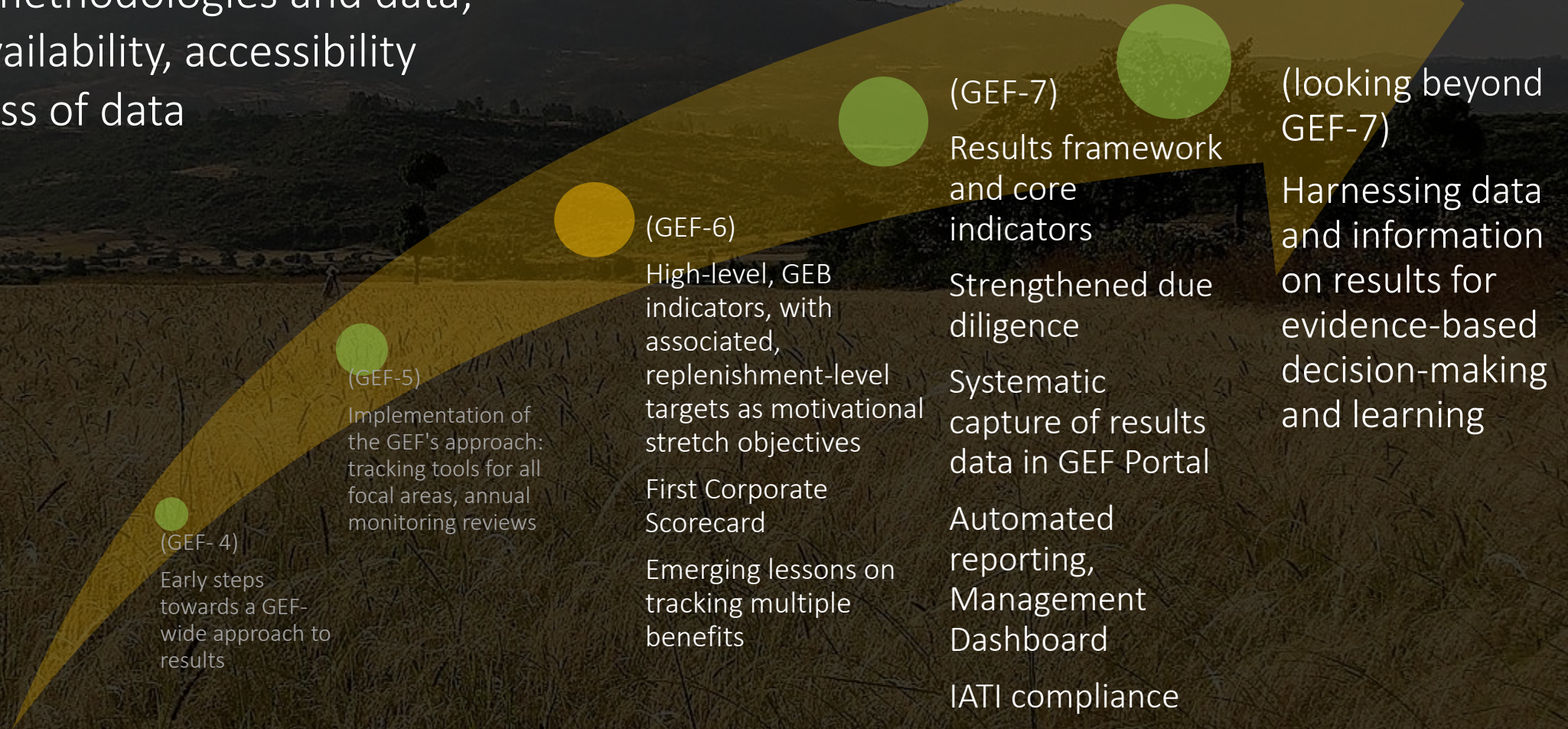
1,660

170

553

GEF-7 targets: early findings

- simplification of indicators, reporting;
- clarity, rigour and robustness of definitions, methodologies and data;
- enhanced availability, accessibility and timeliness of data

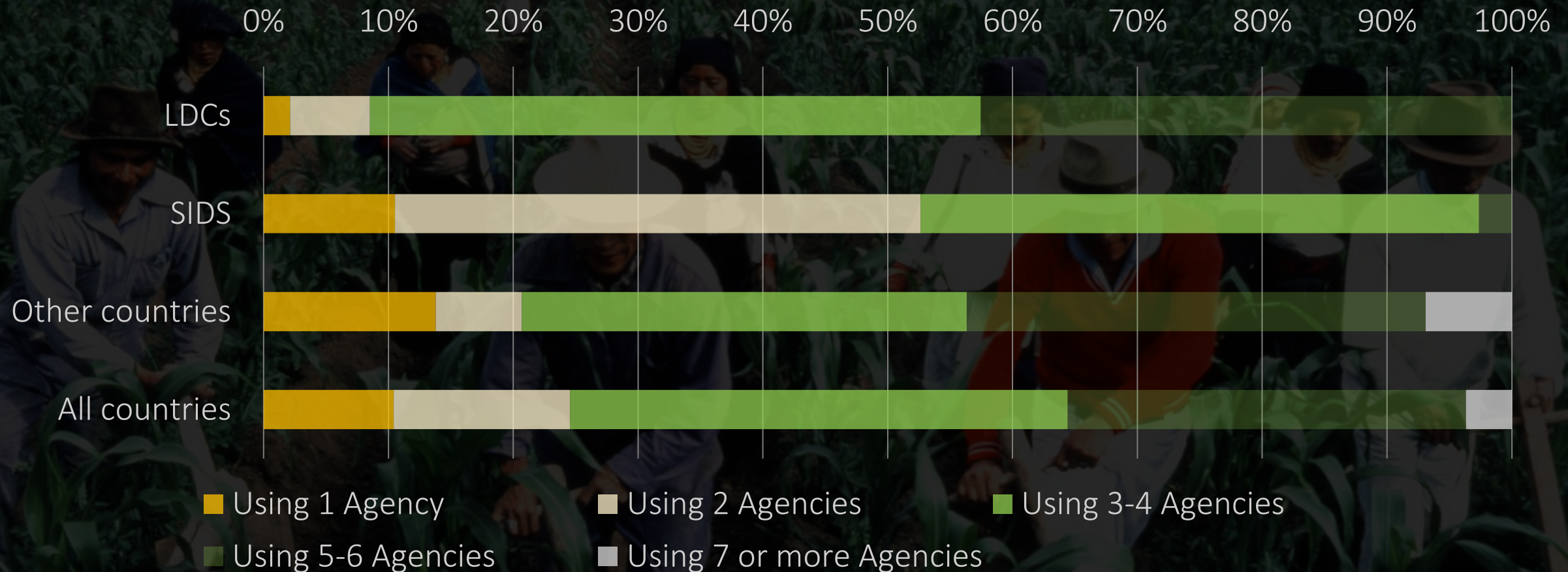


Continuous improvement on results



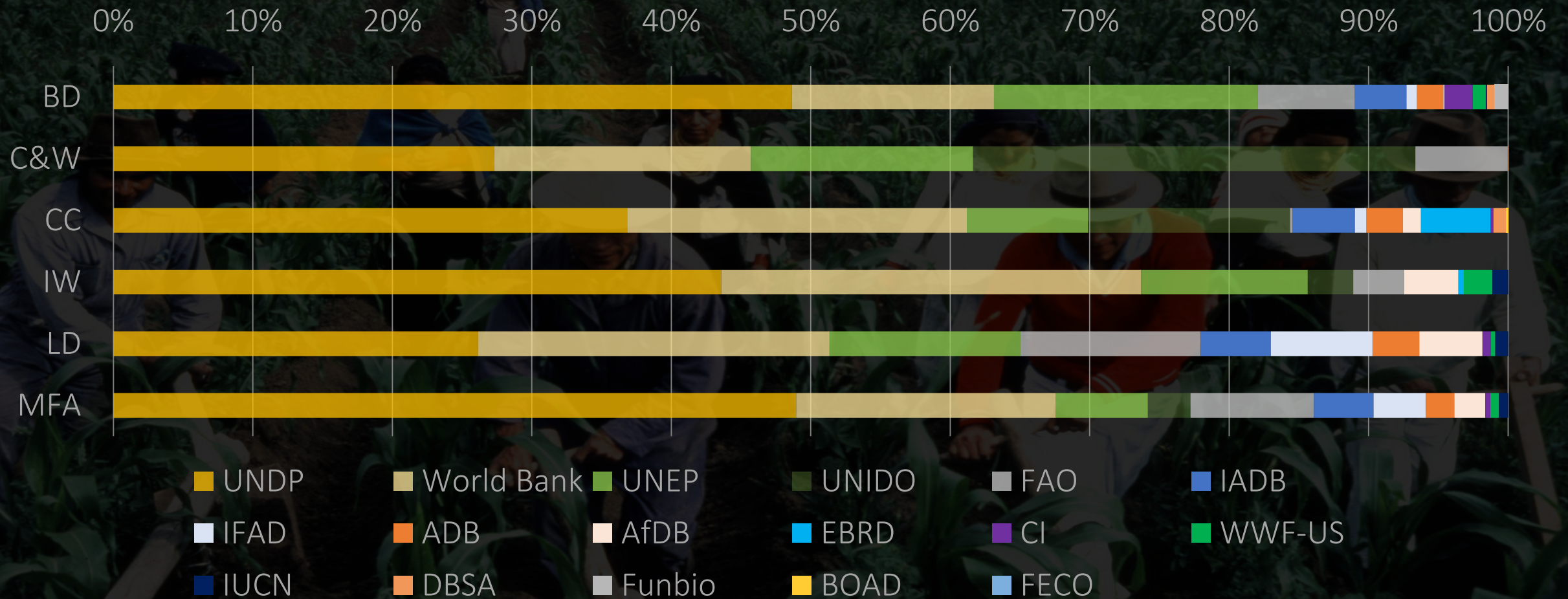
Partnership: Harnessing a Broad and Diverse Network of Agencies

The GEF's network of 18 Agencies serves all countries and regions...



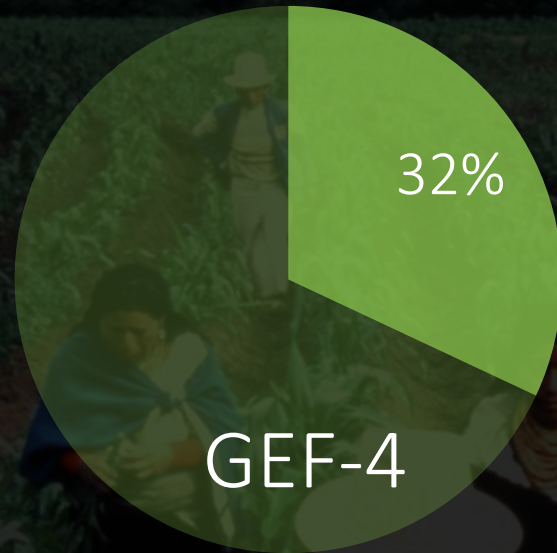
Share of countries in groups by number of Agencies used between GEF-3 and GEF-6

...and the Partnership is effectively deployed across all focal areas



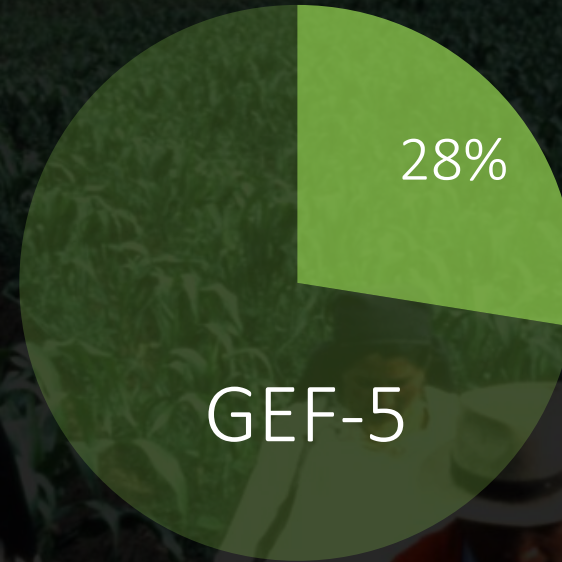
Share of GEF project financing by focal area and Agency (GEF-3 to GEF-6)

Stand-alone
projects



28%

GEF-5

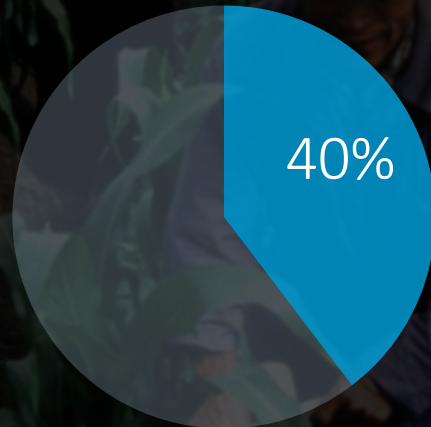


27%

GEF-6

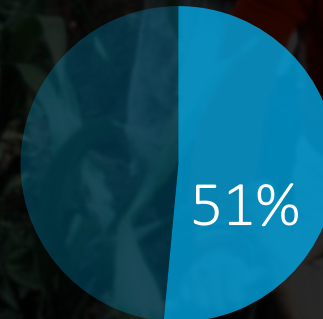


Program
Child Projects



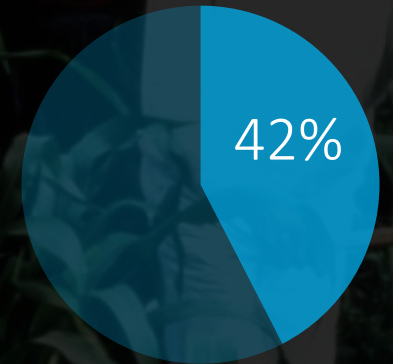
51%

Program share = 10%



42%

Program share = 18%



The share of MDBs and IFIs remains low in GEF-6, but programmatic approaches have consistently been more conducive for MDB engagement



Policy and Institutional Reform: Update on Progress

- Operational efficiency
- Leveraging knowledge and data for higher impact
- Core policies: gender, stakeholder engagement, disclosure, safeguards, fiduciary

100%

FY15

46%

FY15

68%



44%

FY14

19%

FY11-14

69-82%

% of FSPs submitted for CEO
Endorsement within 18 months
from Council Approval (by year of
Approval)

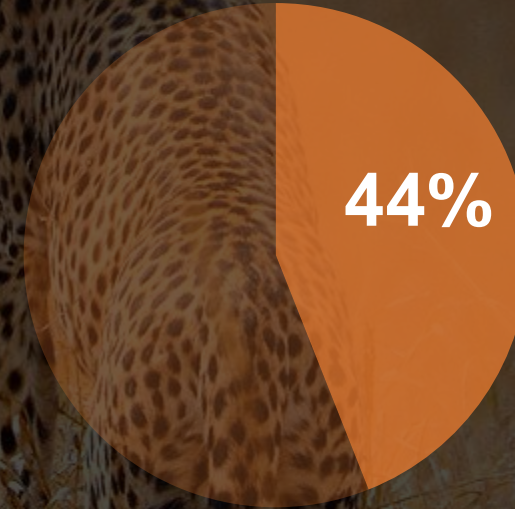
% of FSPs that receive CEO
Endorsement within 18 months
from Approval (by year of
Approval)

% of projects that reach 1st
disbursement within 12 months
from CEO Endorsement/ Approval
(by year of Endorsement)

Some acceleration, but with room for improvement

The analysis carried out by the Secretariat and Agencies suggests the following key lessons:

- (1) the operational efficiency of the GEF should be tackled in a comprehensive manner
- (2) improving the flow of information on operational progress is a prerequisite for success
- (3) there are several entry points for action, including monitoring and reporting, Agencies' oversight of implementation, as well as GEF policy and rules



Of all projects that reached first disbursement in FY11 and FY12, more than 44% had not submitted a mid-term review after five years of implementation

THE CHALLENGE:

The GEF's needs to urgently improve the

- availability,
- accessibility,
- quality, and
- timeliness

of **data** on

- funding,
- operations, and
- results

for greater efficiency, effectiveness, accountability and transparency

Leveraging Data for Impact

THE GEF PORTAL:

- Direct data entry
- Automated aggregation, reporting
- Real-time management dashboard
- Modern search function

WILL CONTRIBUTE TO:

- Smoother processing of funding proposals
- Real-time portfolio-level monitoring and oversight on results, performance
- Transparency (IATI)

coming 2018...

Strengthening Knowledge Management in GEF-7

PROGRESS IN GEF-6:

- KM Work Stream and Advisory Group
- Knowledge exchange in IAPs
- Regional and country-level knowledge sharing activities
- GEF KALEO, Art of Knowledge Exchange

UNFINISHED BUSINESS:

- Strengthening and expanding communities of practice, particularly in key GEF-7 programs
- More systematic knowledge capture, dissemination, learning in projects
- IT-based KM solutions

An Evolving Policy Framework

GENDER

STAKEHOLDER ENGAGEMENT


ACCESS TO INFORMATION

E&S SAFEGUARDS

FIDUCIARY STANDARDS

Final consultations underway –
policies to be presented for
Council review and Approval in
NOVEMBER 2017

Secretariat to present,
in November, plans to
review policies

A group of people, including women and children, are sitting on the ground and listening attentively. The background is slightly blurred, showing more people in a similar setting. The overall tone is serious and focused.

Gender equality: From Policy to Action

POLICY DIRECTIONS:

- Align with best practices
- Gender-responsive approach – beyond “do no harm”
- Clear requirements for project-level quality at entry, reporting
- Portfolio-level monitoring and reporting

LOOKING AHEAD:

- Seize concrete opportunities for a gender-responsive approach across relevant programs;
- KM, learning and communication:
- Monitoring and accountability
- Capacity development



Thank you