

**SECOND MEETING  
FOR THE SIXTH REPLENISHMENT OF RESOURCES  
OF THE GEF TRUST FUND  
NEW DELHI, INDIA  
SEPTEMBER 10-11, 2013**

**SUMMARY OF THE CO-CHAIRS**

1. The second meeting of Participants for the GEF-6 Replenishment was held in New Delhi, India on September 10-11, 2013. Participants noted with appreciation that this was the first GEF Replenishment meeting hosted by a country that both receives and contributes to GEF resources.
2. Dr. Arvind Mayaram, Secretary, Department of Economic Affairs of the Indian Ministry of Finance, opened the meeting. The meeting was co-chaired by Mr. Joachim von Amsberg, Vice-President, Concessional Finance and Global Partnerships, World Bank, and Ms. Naoko Ishii, CEO and Chairperson, Global Environment Facility.
3. Contributing participants were joined by non-donor recipient country participants representing Africa, Asia, Eastern Europe, and Latin America and Caribbean, observers from the GEF Agencies, and two NGO/CSO observers representing donor and recipient country-based NGOs/CSOs respectively. Representatives from the four global environmental Conventions for which the GEF serves as a financial mechanism also attended the meeting as observers.
4. There was a diversity of views expressed on many issues, and constructive dialogue on how to continue to strengthen the GEF, ensuring it is an effective instrument that maximizes impacts for the global environment.

***Overall Performance of the GEF***

5. The Evaluation Office provided a Progress Report on the OPS5, providing an important context for the discussions. Participants stressed the need for an evidence-based approach to decisions regarding the GEF that was firmly grounded in results, and the importance of continued efforts to remove bottlenecks, increase efficiency, and otherwise streamline the project cycle and National Portfolio Formulation Exercises. They also agreed on the need for strong results-based management (RBM) systems to monitor and report on environmental, developmental, and institutional level results, with selectively chosen indicators that “measure what matters.”

***Strategy and Programming***

6. *Differentiated financing and allocation of resources:* Participants discussed the potential for differentiated financing terms for GEF support, including the use of concessional loans, increased co-financing requirements, and changes to allocations. Participants agreed that the GEF should remain fundamentally a grant-making facility. Some Participants opposed differentiating terms across developing countries, while a number of others expressed interest in exploring how differentiating terms, including the direct or intermediated use of non-grant instruments might be expanded. Participants asked the Secretariat and Trustee to undertake further analysis of differentiated terms as well as where non-grant instruments might be operationalized, and quantitative assessments of the tradeoffs and potential consequences, drawing on experience to date.

Participants confirmed the importance of predictability of resources provided by the STAR, and some Participants expressed concerns with the proposed competitive group allocations. Participants requested further analysis of the implications of adjustments to ceilings, floors, and per-capita income weights, or other indices in the STAR formula.

7. *Private Sector:* Participants expressed general support for the options available to engage the private sector, i.e. the set-aside, mainstreaming, and focus at the country level, though some questioned the efficiency of the different options, given experience to date. Participants requested that the Secretariat develop an action plan to implement this approach.

8. *Gender:* Several Participants emphasized the importance of implementing the GEF's gender mainstreaming policy in a comprehensive manner, including in RBM systems. Some Participants requested that the Secretariat develop an action plan on gender mainstreaming.

9. *Programming Directions:* There was broad support for the directions proposed by the Secretariat, though some Participants requested further clarification on what additional programming could be achieved in different focal areas in the enhanced funding scenario. Some Participants requested additional scenarios. A few Participants noted that the GEF strategy with respect to climate change should reflect on the emerging global architecture and the GEF's 'niche' role in this respect. A number of Participants took the opportunity to announce support for a robust replenishment, with GEF-5 as a baseline, while some noted challenges presented by the current environment.

10. Participants broadly agreed that, if designed well, introducing a limited number of Signature Programs on a pilot basis could keep the GEF on the leading edge of innovation and enhance the GEF's responsiveness to regional and global issues. Some participants were concerned about the overall level of financing proposed for Signature Programs, and about some of the concepts being potentially overly prescriptive. Participants requested that the Secretariat explore options such as the use of focal area set-asides, private sector set aside, and leveraging STAR allocations, and that the Secretariat continue and expand the consultation process, including with the GEF agencies, and to further demonstrate that there is strong country ownership, and close links to the focal area strategies and conventions.

### ***Financial Issues***

11. Participants discussed a proposal to adjust the minimum amount to participate in subsequent replenishment negotiations. A majority agreed that an adjustment should be made beginning with GEF-7 (reflecting inflation observed since GEF-6). A few Participants indicated that they would need to consult with capitals and would respond to the proposal when they were in a position to do so. Participants confirmed the importance of clearing arrears and agreed that the pro-rata provision did not serve well as an instrument for timely payment. In the absence of a more effective instrument, Participants agreed to maintain the pro-rata provision. Noting that funding decisions made by the Council or the GEF CEO are based on available fund balance in the GEF Trust Fund at the time of the decision, Participants requested the Secretariat to use the full replenishment amount, including arrears, as the target programming level at the outset of the replenishment period, consistent with current practice.

***Next steps***

12. Participants agreed that any additional written comments on the strategy and programming issues should be provided to the Secretariat and trustee no later than October 3, 2013. The third meeting will be held at the World Bank Office in Paris on December 10-12, 2013, with the objective of reaching agreement on the outstanding issues related to strategy and programming directions.