



## **GEF NGO NETWORK COMMENTS ON THE GEF-6 PROGRAMMING DIRECTIONS**

### **GEF-6 Third Replenishment Meeting Paris, 10-12 December 2013**

The GEF NGO Network makes the following comments based on GEF Secretariat document GEF/R.6/20/Rev01 of November 20, 2013.

#### **1. Overall comments**

##### **Inclusion of key stakeholders**

We support the inclusion of reference to key stakeholders in the various focal area strategies – but not that specific paragraphs are included in relation to Gender and private sector engagement in most of the FA strategies. However there is no clear mention of broader public and Civil society engagement. This is a major deficiency in light of the GEF public involvement policy that calls for effective public/Civil society engagement in all aspects of the work of the GEF. The GEF NGO Network would be happy to work with the GEFSEC to develop appropriate wording to address this deficiency.

##### **Biodiversity Focal Area Strategy (BD)**

The GEF NGO Network welcomes the adapted approach of the BD FA Strategy, which contributes to achieving the CBD's Strategic Plan. In order for Parties to make significant progress in achieving the Aichi Targets by 2020, the GEF-6 period will be a critical phase to support and assist eligible countries with appropriate programming guidance and additional funding to fulfill their commitments. The proposed GEF-6 Biodiversity programs will correspond with and support the substantial implementation of at least 14 Aichi Targets.

Given that US\$ 1.2 billion was pledged for the Biodiversity Focal Area in GEF-5 and that Parties agreed at CBD COP-11 to double resources by 2015 for biodiversity, a substantial increase above the status quo scenario in GEF-6 is necessary which we recognized to be consensus in this group as expressed yesterday. However, the increase should be considered at least 20% above the status quo scenario, which is still well below the amount calculated to adequately achieve the Aichi Targets by 2020.

##### **International Waters Focal Area Strategy (IW)**

As more than 145 sovereign states are highly dependent on internationally shared rivers, aquifers, lakes and wetlands, the IW strategy is a cornerstone for achieving food security. GEF-6 IW programming appears to be a strategic and cost-effective way to step up GEF's work with all stakeholders, including the private sector, and enable the achievement of meaningful, long-lasting and large-scale conservation and development goals to reverse the rapid decline of marine and freshwater ecosystems. However,



the IW resources need to be scaled up as the strategy corresponds to 5 CBD Aichi Targets to at least the proposed US\$ 500 million in the programming document.

#### **Land Degradation Focal Area Strategy (LD)**

The GEF NGO Network supports the approach in the LD strategy, however we would like to encourage further consideration of addressing the degradation of wetlands, which have high biodiversity, play a critical role in climate regulation, and provide essential ecosystem services for the livelihood of many people. Avoiding further land degradation and enhancing the restoration of degraded land and sustainable land management are major challenges in securing ecosystem services and sufficient livelihoods. Hence, a substantial increase of GEF resources is required.

#### **Climate Change Mitigation Focal Area Strategy (CC)**

The GEF-6 country allocations should be adjusted to reflect not only industrial emissions, but also emissions related to agriculture, forestry, and land use (AFOLU). This would enhance allocation to countries where AFOLU emissions are greater than industrial emissions – which is the majority of GEF Recipient countries. The GEF NGO Network supports the enhanced emphasis on LULUCF (Land use, Land Use Change and Forestry) and the agricultural sector to reduce CO<sub>2</sub> and other emissions.

The proposed integrated approach for low carbon urban development is well noted to link action to address both climate change and chemicals. The GEF NGO Network also believes that some priority should be made to support the leadership of Least Developed Countries (LDCs) and Small Island Developing States (SIDS) in promoting low-carbon development strategies.

We believe that there need to be some adjustments to the programme to better reflect the engagement of civil society in the implementation of the programme. There are many opportunities for this and will be essential to mainstream options for a low carbon society. Sustainable transport is also a key issue that should be enhanced in the context of urban environment.

#### **Chemicals and Waste Focal Area Strategy (CW)**

The GEF NGO Network is broadly satisfied with the CW strategy. With regard to the support for CSO involvement, the GEF NGO Network believes that it should not only be restricted to SGP funding. There should be reference to the option for medium sized projects implemented by CSOs in the CW strategy. It would also be useful to highlight the value of capacity building and exchange of experience and lessons learned through regional or international networks. As stated earlier the allocation for chemicals and waste need to be enhanced to facilitate new work under POPs and Minamata Conventions.

#### **Sustainable Forest Management Strategy (SFM)**

The GEF NGO Network supports the enhancement of GEF's assistance through further investments to sustainably manage forest resources that provide a wide range of ecosystem services and multiple benefits for biodiversity, climate change mitigation, land restoration and diverse livelihoods.

The SFM strategy corresponds inter alia with 5 forest-related CBD Aichi Targets addressing drivers of deforestation and degradation, enhancing sustainable use, improving conservation and forest management, and restoring degraded forest ecosystems. These are of the utmost importance in supporting the achievement of the CBD's Strategic Plan.

#### **Integrated Approaches**

The pilot approaches proposed in the Integrated Approaches would allow new strategies to address high priority drivers of environmental deterioration that can only be managed from a regional and international perspective. To achieve their full potential, these Integrated Approaches will need to be developed based on broad and transparent partnerships.



The **"Amazon Basin"** Integrated Approach will inter alia contribute to achieving the CBD Aichi Targets on forest and agricultural biodiversity, biodiversity conservation through protected areas, and sustainable use of genetic resources. We believe that the current focus on Brazil, Peru and Colombia should be modified and the programme should focus on the entire Amazon Biome including the full basin as well as the Guyana Shield as this full area is of extreme value for biodiversity. This would provide a linkage with the Guyana Shield Initiative which is already underway and supported by the respective national governments, France and others.

We support addressing deforestation as a major driver of biodiversity loss in the **"Global Commodities"** Program. Amongst others, this will directly contribute to achieving CBD Aichi Target 5. Actions aimed at developing biodiversity-friendly value chains and products are critical in this regard.

The **"Rebuilding Global Fisheries"** Program is essential to advance in restoring coastal and marine ecosystems. Additionally, it would contribute to reducing poverty. We support the statement that *"Ending overfishing –the biggest threat, along with pollution and habitat loss, to ocean health – is a critical step to restoration"*. This program will significantly contribute to achieving CBD Aichi Target 6 to achieve sustainable fisheries by 2020.

The regionally focused Integrated Approach on **"Food Security in Sub-Saharan Africa"** is critical to address major challenges in that region including addressing land degradation and reducing deforestation. This programme will also help address the imbalance of support to Africa.

#### **Small Grants Program**

The GEF NGO Network strongly supports the continued evolution of the Small Grants Program (SGP) to a more integrated approach with broadened partnerships. However, a higher core allocation of 200 million for the SGP is recommended in GEF-6. In addition there should be an expedited process for SGP to access STAR resources to avoid the delays and inefficiencies which have been experienced in GEF 5.

#### **Cross cutting capacity development**

More resources need to be allocated to support Cross cutting capacity development. There is no justification to make a 32% reduction in the support for this key area in the status quo scenario.

## **2. Specific Comments**

**Specific comments are provided according to Chapters and paragraph numbers**

#### **Biodiversity FA**

Para 13-18 – cover Private sector and gender issues well. Need to add a complementary section of Civil society/CSOs/

Para 23: In line with Aichi target 1 It should be mandatory for all GEF projects to include elements on public outreach and awareness – the vague wording in sentence 2 leaves it to the project level "as appropriate" This language should be strengthened.

Para 34-37: Include a specific paragraph on Indigenous and community Conserved Areas (ICCA) as part of program 2 strategy. This is key to enable government support for requests for GEF funding from Indigenous and local communities.

Para 70-71: the proposed inclusion of support for local communities and smallholder organizations is supported.

Para 72-76: the inclusion of support for indigenous and local communities is supported.

Para 77-80 Given the focus on human and biodiversity interface there should be more explicit mention of support for engagement of indigenous and local communities as well as related CSOs.

#### Para 86 Results framework

Indicator b) Change intact vegetative cover – to Intact **natural** vegetative cover

Add Civil Society engagement indicator

#### Annex 3

Add a category of globally significant sites as:

Sites designated under appropriate international conventions and agreements ( eg Ramsar Convention, World Heritage Convention etc).

#### **Climate Change FA strategy**

Para 15-18 we support the inclusion of strategies for gender mainstreaming

We call for inclusion of a specific paragraph on civil society and public engagement in the GEF climate change focal area. Active involvement of public and communities is critical to achieving mitigation strategies especially in relation to adoption of low carbon urban systems and emission reduction and carbon stock conservation in forest and agriculture programme 3-4. It is also important for program 1 and 2 for promotion/demonstration of low carbon technologies and mitigation actions.

Para 32: we support the proposed attention on short-lived climate forcers. In sentence two expand “open field burning” to “forest and land clearance and maintenance with fire” as forest and land fires especially peat fires are a greater source of SLCF compared to open field burning.

Para 32: Sentence 3: after waste water treatment plants include and introducing low emission technology in the agriculture sector (eg low-water use rice cultivation and methane avoidance/capture in animal husbandry and plantation industries)

Para 39: The emphasis on sustainable transport is supported.

Para 41: add CSOs to the first line after Including. CSO and public engagement is critical to facilitating adoption of new technologies and low carbon approaches. The activities mentioned in sentence 3 of education, awareness raising, networking and dissemination are the proven capacity of CSOs and so specific reference should be included in this sentence to partnership with CSOs.

Para 48: Program 3 and 4 are strongly supported. Three adjustments are proposed to the title of program 4: promote **Emission reduction**, conservation and enhancement of carbon stocks in forest, **peatland** and other land **types**, and support climate smart agriculture. Justification: As mentioned in para 56 it is not only carbon stock conservation but also reduction of methane and nitrous oxide to be included in the programme. Peatland stores double the carbon of all the biomass of all the world's forests combined and so should also be highlighted in the title. It is referenced in para 60. Forest and peatlands are land types not land use.

Para 52: Clause d) and f) are overlapping and could be combined.



Para 52 e) measures noted here are mainly top down. Also include more bottom up measures and incentives for broader use of public transport eg enhancing access and efficiency of public transport services, carpooling/sharing programs. Sustainable transport projects should not only focus on infrastructure but also on systems and community engagement.

Para 52 Propose to add an extra clause h) Initiatives to enhance broad community support for and use of emission reduction approaches and low carbon technologies. This is in line with the strategy in para 41.

Para 56: Add a sentence that: CO2 emission from drainage of organic or peatland soils for agriculture is the largest CO2 source in the agriculture sector.

Para 57: add "and peatland" after forest in sentence 2.

Para 60, sentence 3: "Riparian" should be replaced by "riverine and coastal" – riparian is normally narrowly defines as a zone along rivers which often exclude majority of the peatland areas. Also propose to delete "blue" before carbon stocks as this term normally applies to mangroves, seagrass or coral systems and not peatlands.

Para 62: add a last clause in second sentence: "and reduce CO2 emissions from organic soils".

Para 63: sentence 1: add "or agroforestry" to the end of sentence.

Para 83: Unclear why indicator 4 is appropriate for Program 4. Retaining and enhancing forest and peatland carbon stocks is more than deployment of low GHG emission technologies and practices?? Annex II para 9 does not give any clearer guidance.

Indicators: recommend inclusion of stakeholder engagement indicators.

Annex II: this annex on monitoring with many levels of scoring and multiple sub indicators looks very complex and may be hard to systematically implement – simplification may be needed.

#### **Chemicals and waste focal area**

Para 17 – we support the reference to support for civil society initiatives but suggest it would be best if this was further elaborated in a separate paragraph as it has in para 18 for the private sector. We believe that there should also be specific reference to community and CSO engagement in the specific programmes – at the moment the only specific reference is in para 40a) related to ASGM.

Para 19-21 We support the inclusion of a section on Gender.

Annex II para 8: we support the guidance in para 8 on civil society initiatives. We would prefer use of Civil society organizations to Nongovernmental organizations in sentence 1. To avoid confusion the words "medium sized or full sized" before the word projects. This will avoid confusion with sentence 2 on SGP. We strongly support sentence 3.

#### **International Waters Focal Area**

Para 13-14 – we support the inclusion of the gender aspects.

We encourage the inclusion of separate guidance related to civil society engagement.

Para 28: last sentence – enhanced cross sectoral capacity building and greater public awareness should be incorporated into the IW programme for all funding scenarios not only the enhanced funding scenario – which is only 50 million more. Capacity building and stakeholder engagement is fundamental at all funding levels.

Para 29: we support the continued emphasis on engagement of key stakeholders in the TDA process and the gender emphasis in para 30.

Para 53: we support the engagement with Civil society and the proposed gender analyses.

Para 62-64 we strongly support the program 3.2 on preventing loss and degradation to coastal resources which are critical the welfare of millions of coastal residents. The conservation and rehabilitation of blue forests including mangroves is also important. We feel that empowerment of coastal communities for the protection and rehabilitation of coastal resources is a key strategy to be included explicitly in this programme.

#### Land degradation Focal Area

Para 15: we support the gender sensitive approach.

Para 18: the proposed support for sustainable rural livelihoods is supported

Para 24: The proposed approaches for programme 1 are supported.

Para 28 : Program 3 should include the degradation of wetlands, which have high biodiversity, play a critical role in climate regulation, and provide essential ecosystem services ( water supply, groundwater replenishment, fibre, fisheries and food) to support the livelihood of many people. In dryland systems especially – wetlands play a very critical role both for human survival and biodiversity.

Para 28 a) should include “wetlands” after forests,

Para 31 (e) add: “including through empowerment of local communities” to the end of the sentence.

#### Sustainable Forest management

Para 10: The critical role of indigenous and local communities as effective stewards of forests resources needs to be better acknowledged and the strategy needs to be proactive in supporting further community empowerment for forest resource protection and sustainable use.

Para 11-14- the inclusion of gender sensitive approaches is welcomed.

Para 19 (d) i) Ensuring support for regional cooperation in key tropical forest regions such as SE asia, Central Africa and the Amazon forest – needs to be achieved in GEF 6 – through flexible provision of incentives for regional initiatives.

Para 21 (c) the emphasis on sustainable livelihoods is strongly supported.

Para 28 Program (a): Include specific reference to enhance the engagement of indigenous and local communities and other civil society stakeholders in the integrated land use planning process and empowerment of communities to protect and sustainably use forest resources.



Para 28 program (b) reword to: Identification and **protection** of high conservation value forests. Monitoring is not sufficient to avoid the loss of HCV areas.

Para 30 sentence 1: the current wording implies that indigenous people, community groups and formers are part of the private sector – this should be reworded.

Para 31: support this wording – but this needs to be reflected in para 33 Program a) on developing and implementing model projects for PES – such as inclusion of the following: “Priority will be placed on PES approached that involve empowerment and support for traditional and community resource management approaches to sustain forest resources and associated ecosystem services.”

Para 33 Program (b) this programme for capacity development within local communities is strongly supported.

Para 37: Program b) the inclusion of community focused restoration in program is supported.

Para 38-41: The rationale outcomes and programmes under SFM 4 do not appear to be clearly linked to one another. The rational focuses on enhancing regional and global cooperation. However the outcomes focus on availability of tools and technologies and collaboration between countries (but not regional or global collaboration). The programs private sector engagement and technologies for national use and not at all on regional and global collaboration. It is proposed that the proposed outcomes and programs are revised to focus on the target of increased regional and global cooperation related to SFM. It is proposed that one of the revised programmes is focused on supporting regional cooperation in key tropical forest regions – eg Se Asia, Central and west Africa and Amazonia/Mesoamerica. In line with the key statement in Para 47 which is strongly supported another programme should support targeted investments to increase regional and global cooperation on issues such as participation of indigenous peoples, civil society organizations in SFM through networking as well as south-south cooperation and sharing of experience. It is noted that the outcome 4.1 in the table on indicators following para 48 is more in line with the rationale.

#### Indicator table:

Indicator 2.1 should be modified to enable engagement of the stakeholders to be tracked in line with outcome 2.1

Indicator 3.2 should be modified to enable engagement of the stakeholders to be tracked in line with outcome 3.2.

#### Integrated approaches

Para 12 last sentence: add “and civil society” after private sector.

#### Amazon

Para 1-6: We believe that the current focus on Brazil, Peru and Colombia should be modified and the programme should focus on the entire Amazon Biome including the full basin as well as the Guyana Shield as this full area is of extreme value for biodiversity. This would provide a linkage with the Guyana Shield Initiative which is already underway and supported by the respective national governments, France and others.

#### Cities

Para 20-22: Links to existing regional and global civil society initiatives and organizations related to sustainable management of cities or sustainable transport or consumption should be strongly considered. Engagement and empowerment of local CSOs should be a mandatory element of each of the targeted cities.

## **Fisheries**

Although this was not supported by some stakeholders in the paris meeting – addressing global fisheries issues was considered a priority by other countries. Even if not included as a specific pilot integrated approach – key elements could still be supported as a normal programme through the IW focal area.

## **Corporate programs Strategy**

The resources for the corporate programs should be enhanced to support this important work to strengthen stakeholder engagement. The level of funding allocated should not be cut from the GEF 5 levels.

Para 11-12 The support for GEF workshops especially the Expanded constituency workshops should be maintained or enhanced. The ECWs have been key in GEF 5 for enhancing engagement and understanding of GEF and convention related focal points and CSOs. The option of CSO meetings immediately prior to the ECW meetings as piloted in 2013 should be continued in GEF 6.

## **Cross cutting capacity Development**

CCCD is strongly supported to enhance capacity for integrated environmental management as a complement to the Multi-focal area approach. The resources levels should be enhanced from 30 million to 44 million as in GEF 5.

Para 27 the targets especially d,e and f are strongly supported.

Para 29 (a) Modify program title to: Integrate global environment priorities into information management and outreach systems. Justification: If this program is to contribute to achieving objective d) it cannot be restricted to information management but must also include dissemination and outreach to enhance awareness and promote behavioral change. A management information systems without associated outreach and awareness will not address global environment priorities.

Para 29 (b) modify program title to “Strengthen participatory and management structures and mechanisms. Justification: Replacement of the work “consultative” with “participatory” is in line with the text of the description calling for broader engagement of non- state stakeholders. Effective engagement is linked to participation in decision making and governance – not from just consultation which is a lower level of engagement.

CCCD Table 1: Row 1: modify first program activity to ...(MIS) and outreach systems related...

Include another indicative program activity: “outreach campaigns on global environment issued to enhance awareness and change behavior to support Rio convention implementation”

CCCD Table 1: Row 2 Include another indicative activity type under program b): “enhancing capacity of CSOs for effective participation in Rio convention implementation”

## **GEF Small Grants programme**

The strategic directions for the SGP in GEF 6 is supported. However a higher core allocation of 200 million for the SGP is recommended in GEF-6. In addition there should be an expedited process for SGP to access STAR resources to avoid the delays and inefficiencies which have been experienced in GEF 5.



Para 35: the five strategic objectives are supported especially c0 and d0 which will enhance capacity at national, regional and global level for CSO engagement in global environment governance.

Para 46: the GEF NGO network supports these knowledge management and outreach mechanisms and would like to collaborate with SGP on their implementation.

**For further information or clarification**

**Contact:**

Faizal Parish  
GEF NGO Network  
Central Focal Point  
[fparish@gef.org.my](mailto:fparish@gef.org.my)  
[www.gefngo.org](http://www.gefngo.org)

Guenter Mitlacher  
GEF NGO Network  
Regional Focal Point Europe  
[guenter.mitlacher@wwf.de](mailto:guenter.mitlacher@wwf.de)

December 31 2013







Re: Comments on the GEF6 Documents  
Faizal Parish

to:

rramankutty

01/06/2014 11:38 AM

Cc:

Adelaine Tan, "guenter.mitlacher@wwf.de", "wehlers@thegef.org"

Hide Details

From: Faizal Parish <fparish@gec.org.my>

To: rramankutty <Rramankutty@thegef.org>

Cc: Adelaine Tan <adelaine@gec.org.my>, "guenter.mitlacher@wwf.de"  
<guenter.mitlacher@wwf.de>, "wehlers@thegef.org" <wehlers@thegef.org>

History: This message has been replied to.

## 2 Attachments



graycol.gif GEF\_R.6\_21, GEF-6\_Rev.02, Policy Recommendations, revised, December 12.\_ 2013 comm GCN.docx

Dear Ramesh,

i just noted that i did not attach the minor comments on the draft policy recommendations. Pls see it attached.

Regards

Faizal Parish  
Director  
Global Environment Centre  
78 Jalan SS2/72  
47300 Petaling jaya  
Selangor, Malaysia

Tel +60 3 7957 2007  
Fax+60 3 7957 7003  
Mob +60 12 322 7350  
[www.gec.org.my](http://www.gec.org.my)  
Skype: fparish

Global Environment Centre is the:  
Central Focal Point of the GEF NGO Network [www.gefngo.org](http://www.gefngo.org)  
Regional Project Executing Agency of the ASEAN Peatland Forest Project [www.aseanpeat.net](http://www.aseanpeat.net)

On 3 January 2014 23:14, <[Rramankutty@thegef.org](mailto:Rramankutty@thegef.org)> wrote:

Thanks, Faizal.

▼ Faizal Parish ---01/02/2014 02:05:31 PM---Dear Ramesh, Please find attached our comments on the Programming Directions and on the

From: Faizal Parish <[fparish@gef.org](mailto:fparish@gef.org)>  
To: [rramankutty@thegef.org](mailto:rramankutty@thegef.org)  
Cc: Adelaine Tan <[adelaine@gef.org](mailto:adelaine@gef.org)>, "wehlers@thegef.org" <[wehlers@thegef.org](mailto:wehlers@thegef.org)>, "quenter.mittlacher@wwf.de" <[quenter.mittlacher@wwf.de](mailto:quenter.mittlacher@wwf.de)>  
Date: 01/02/2014 02:05 PM  
Subject: Re: Comments on the GEF6 Documents

---

Dear Ramesh,

Please find attached our comments on the Programming Directions and on the draft policy recommendations.

please circulate as necessary.

regards

Faizal Parish  
Director  
Global Environment Centre  
78 Jalan SS2/72  
47300 Petaling jaya  
Selangor, Malaysia  
Tel +60 3 7957 2007  
Fax+60 3 7957 7003  
Mob +60 12 322 7350  
[www.gec.org.my](http://www.gec.org.my)  
Skype: fparish

Global Environment Centre is the:





GLOBAL ENVIRONMENT FACILITY  
INVESTING IN OUR PLANET

GEF/R.6/21/Rev.02

December 12, 2013

---

Third Meeting for the Sixth Replenishment of the GEF Trust Fund

December 10-12, 2013

Paris, France

## **GEF-6 POLICY RECOMMENDATIONS**

(Prepared by GEF Secretariat)

## TABLE OF CONTENTS

Introduction .....	1
Background .....	1
Policy Recommendations .....	2
Differentiation .....	3
Updating the STAR .....	3
Seeking Higher Levels of Co-financing.....	3
Greater Emphasis on Non-grant Instruments .....	4
Improving Efficiency of the Project Cycle .....	4
Enhancing Engagement with the Private Sector .....	5
Strengthening Country and Civil Society Engagement .....	5
Enhancing Gender Mainstreaming .....	6
Strengthening the Results-Based Management and Knowledge Management Systems.....	6



## INTRODUCTION

1. Informed by the Fifth Overall Performance Study of the GEF (OPS5),<sup>1</sup> including the Management Response,<sup>2</sup> the Strategic Positioning for the GEF,<sup>3</sup> and GEF-6 Programming Directions,<sup>4</sup> this document contains the policy recommendations developed for GEF-6 by the Participants in the replenishment process.

## BACKGROUND

2. Participants emphasize the critical role played by the GEF as a multi-lateral, multi-thematic, multi-convention financial mechanism that provides assistance to developing countries to generate global environmental benefits. Through its more than two decades of operations, the GEF has established a track-record of partnering with recipient countries to deliver concrete results on the ground in the different focal areas and themes under its mandate.

3. Participants take note of the OPS5 finding that the GEF is achieving its mandate and objectives, and that the added value of the GEF is found in its unique position as a financial mechanism of multilateral environmental agreements, which allows it to focus its support on priorities that have been agreed upon internationally and are acted upon in a way that is relevant to the conventions and to regional and national priorities. Participants are also pleased that OPS5 finds the GEF to be highly relevant and successful in its interventions, and that over 80 percent of GEF projects are effective in producing outcomes with sustainability and progress towards impacts.

4. Participants also recognize that ecosystems are being pushed to their limits. Human demands imply that key ecosystems are now approaching their carrying capacity to the extent that abrupt changes—which may be prohibitively costly or simply impossible to reverse—can no longer be excluded. Participants note that the pressure on resources is set to increase in the coming decades as a result of global megatrends, viz., increase in global population, accompanied by a rapid increase in middle class, and urbanization. Participants agree that by strengthening its focus on the drivers that lead to unsustainable use of resources, the GEF will better be able to tackle the root causes of environmental degradation that are critical to slow and eventually reverse environmental trends.

5. Participants affirm that the GEF should continue to play a key role in the evolving landscape of global environmental financing, with its well-defined value proposition, building on a number of strengths: (i) more than two decades of experience of the GEF partnership in implementing projects that deliver global environmental benefits, focusing on innovations; (ii) high degree of international legitimacy derived from its association with key multilateral environmental conventions; (iii) programs and projects reviewed and guided by a world-class Scientific and Technical Advisory Panel (STAP), and the results-on-the ground being continuously assessed by the independent Evaluation Office; (iv) an equitable governance

---

<sup>1</sup> GEF/R.6/17.

<sup>2</sup> GEF/R.6/18.

<sup>3</sup> GEF/R.6/19.

<sup>4</sup> GEF/R.6/20.

structure; and (v) a strong, diverse and expanding network of implementing partners, civil society and indigenous peoples organizations, and the private sector.

6. Participants acknowledge that one of the major strengths of the GEF as a financial mechanism is its ability to support activities in recipient countries that can meet their commitments to more than one global convention within the context of their sustainable development needs. Participants welcome the growing share of multi-focal area projects in the portfolio reflecting increased synergies across GEF focal areas. Participants also emphasize that project development, design, and implementation should strive for upstream identification of synergies and linkages across the different focal areas, while reflecting the actual needs of recipient countries as they work to contribute to both global goals and national priorities.

7. Participants recognize that GEF programming is supported by good-practice fiduciary standards and by high standards for environmental and social safeguard policies, gender mainstreaming policy and principles and guidelines for engagement with indigenous peoples, and other vulnerable groups.

8. Participants agree that the GEF should continue to strengthen its partnership with governments, civil society and indigenous peoples organizations, the private sector, and other stakeholders that have already helped achieve results-on-the-ground.

#### **POLICY RECOMMENDATIONS**

9. Participants have developed the policy recommendations for GEF-6 building on the reforms of GEF-5<sup>5</sup> and responding to the findings and recommendation of the Fifth Overall Performance Study (OPS-5), together with the discussions based on documents tabled for the replenishment process. The policy recommendations are targeted towards an overall objective that the GEF as a whole deliver higher impacts in an effective and efficient manner.

10. The proposed policy recommendations cover the following six areas:

- (a) Differentiation;
- (b) Improving efficiency of the project cycle;
- (c) Enhancing engagement with the private sector;
- (d) Strengthening country and civil society engagement;
- (e) Enhancing gender mainstreaming; and
- (f) Strengthening results-based management and the knowledge-management systems.

---

<sup>5</sup> Reform of the country support program; Provision of resources to countries to undertake national portfolio formulation exercises (NPFEs) to support GEF programming; Accreditation of new GEF project agencies to broaden the GEF partnership; Streamlining of the GEF project cycle, and refining the programmatic approach; Reform of the fee-based system to provide agencies resources for project cycle management and corporate services; Delineation of the roles and responsibilities of the various GEF entities; Reform of the resource allocation system and operationalization of a system for transparent allocation of resources (STAR); Enhancement of convention participation in development of focal area strategies and work programming; Development and implementation of a work plan for a results-based management framework and knowledge management initiative; and Enhancement of the engagement of civil society organizations in the work of the GEF.



11. Participants recommend that when these policy recommendations are developed and presented as detailed proposals for Council review in GEF-6, each proposal be accompanied, when appropriate, by an analysis of the costs and benefits of implementing the proposal.

### **Differentiation**

12. Participants agree on the continued importance of enabling the GEF partnership to achieve higher impacts in the generation of global environmental benefits, recognizing that countries contribute in different ways, according to their particular country capacities and circumstances. Participants agree on the importance of the allocation of GEF resources to countries being transparent and consistent, and being based on global environmental priorities and country capacity, along with policies and practices relevant to successful implementation of GEF projects as well as reflecting the economic strengths of recipient countries. Participants agreed on the need for providing more resources to LDCs and SIDS in line with the recent guidance from the conventions, while reducing concentration of resources in a few countries. In this respect, Participants agree to the following.

### *Updating the STAR*

13. Participants acknowledge that the implementation of resource allocation systems during GEF-4 and GEF-5 has been one of the key reforms of the GEF. The System for Transparent Allocation of Resources (STAR), an update to the Resource Allocation Framework (RAF), has governed the allocation of resources during GEF-5.

14. To achieve the objectives outlined in paragraph 12, Participants recommend that the GEF Secretariat, in consultation with other entities of the GEF partnership, as appropriate, and taking into consideration the findings and recommendations of the recently-concluded Mid-term Evaluation of the STAR, present for Council consideration in [May 2014], a proposal for updating the STAR, including the following modifications:

- (a) Increasing the weight of the GDP per capita index to 0.08 ;
- (b) Lowering the ceilings imposed on each focal area to 10 percent;
- (c) Increasing the aggregate floor to \$6 million for LDCs;

15. In line with recently concluded mid-term evaluation of the STAR and OPS5 recommendations, the Secretariat is also requested to carry out a review of the feasibility of changing other elements of the STAR system, *inter alia*, level of the individual focal area floors, and the procedures for flexible use of country allocations by [May 2014].

16. Participants also recommended that the review of the STAR consider changing the weight of the LULUCF parameter for possible future adjustments.

### *Seeking Higher Levels of Co-financing*

17. Participants acknowledge the history of robust co-financing, and affirm that co-financing plays a critical role in creating strong partnerships on the ground. Participants also acknowledge the roles played by national governments and the private sector in providing significant co-financing. Participants take note that co-financing ratios exhibit high levels of variability both among projects in individual countries and across countries and focal areas.

18. Participants affirm that the GEF should continue to seek high levels of co-financing as a means to achieving greater environmental impact and encouraging country ownership. Participants also encourage greater co-financing in countries with greater capacity for co-financing as a means to achieve even greater impact and broader adoption. Participants request the GEF Secretariat, in consultation with appropriate GEF entities, to develop a policy for Council consideration by [May 2014] that seeks to:

- (a) provide clarity in the definitions and approaches to promoting effective co-financing;
- (b) indicate a level of ambition for the overall GEF portfolio to reach a co-financing ratio of at least 6:1 (total co-financing to total GEF resources); and
- (c) create expectations for greater co-financing for upper middle income countries that are not SIDS.

#### *Greater Emphasis on Non-grant Instruments*

19. Participants note that the GEF, since its inception, has deployed non-grant instruments, and that the projects utilizing non-grant instruments are designed to leverage substantial capital from the private sector, whether it is through providing funding for first losses in partial guarantee schemes, or providing equity to leverage other kinds of finance. Participants also acknowledge that non-grant instruments, through their potential for generating reflows, could make a contribution to financial sustainability. Participants note that the GEF should do more, including through a pilot to support private sector engagement and incentivize GEF recipient countries' voluntary use of non-grant instruments, including concessional loans.

20. Participants request the Secretariat, in consultation with other entities of the GEF partnership, as appropriate, to present for Council consideration a non-grant instrument pilot proposal to support projects from both the private sector and GEF recipient countries, deployed through non-grant instruments that have possible reflows. Participants also request that the non-grant instrument tools be updated accordingly, recognizing that additional tools are required for the pilot. Participants request that the updated tools be presented to the Council at its [May 2014] meeting. Participants request that the non-grant instrument pilot employing resources from the *non-grant set-aside* be presented for Council consideration no later than its [November 2014] meeting. Participants also request the Secretariat and the Trustee to strengthen the current system for tracking reflows originating from the use of non-grant instruments.

Comment [FP1]: Is this the same as private sector set aside?

#### **Improving Efficiency of the Project Cycle**

21. Participants, while acknowledging the recent set of streamlining measures approved by the Council in November 2012, and work underway to seek further improvements, emphasize that further efficiency improvements are critical to GEF processes as concluded in OPSS5. Participants recognize that such progress requires the collaboration of recipient countries, GEF Agencies, and the Secretariat.

22. Participants acknowledge the November 2013 decision by the Council for the Secretariat to prepare for consideration at its November 2014 meeting, a policy for cancellation of projects that exceed time-frame targets for project preparation.



23. Participants request the Secretariat, in collaboration with the GEF Agencies, to continue reviewing performance against the current project cycle time-standard of 18 months between Council Approval and CEO endorsement to identify: (i) more effective measures to expedite project preparation; and (ii) identification of an appropriate project cycle time- standard for GEF-6. Participants further request the Secretariat, in collaboration with the appropriate GEF entities, to submit for Council consideration in [November 2014] further measures to improve the policies and procedures associated with the full project cycle,<sup>6</sup> including a portfolio management system to keep track of project progress through the partnership. Project cycle reform measures, while aiming for faster processing of proposals should ensure that quality-at-entry is not compromised.

#### **Enhancing Engagement with the Private Sector**

24. Participants recognize that it is imperative for the GEF to enhance its engagement with the private sector in addressing global environmental challenges. Participants support a more holistic and comprehensive approach that mainstreams private sector engagement across GEF focal area strategies and proposed Integrated Approaches pilot.

25. Participants request that the Council undertake appropriate actions to facilitate further mainstreaming of the GEFs private sector engagement, based on the GEF's proven intervention models: (i) fostering enabling policy environments; (ii) pioneering risk mitigation and innovative financial products; (iii) forging corporate alliances; and (iv) providing capacity building and incubation, as set out in the programming document. Specific action steps to promote uptake to promote provisions set out in the programming document can begin immediately, such as inclusion of private sector engagement guidelines in NPFs. Additional action steps will include outreach to operational focal points and integration of private sector engagement in the extended expanded constituency workshops, with an emphasis on focal areas with barriers to private sector engagement.

26. Participants encourage the GEF's private sector engagement to continue to be focused on cutting edge innovation and risk-taking, based on lessons learned from Earth Fund and GEF-5 private sector set-aside.

27. Participants request the Secretariat, in collaboration with Agencies, to present a report on actions taken to enhance private sector engagement in [November 2014] with a time-line for future actions on mainstreaming.

#### **Strengthening Country and Civil Society Engagement**

28. Participants emphasize the importance of country ownership and also acknowledge the positive and critical roles played by civil society organizations (CSOs) in safeguarding the global environment and contributing to the work of the GEF. Participants appreciate the development by the GEF secretariat in 2011 of guidelines to enhance engagement of indigenous peoples in the work of the GEF; and their current work with the GEF CSO Network to review the public involvement policy with a view to preparing an updated Public Involvement Policy for consideration by the GEF Council in May 2014. Participants request the GEF Secretariat to

---

<sup>6</sup> Project concept, preparation and implementation.

prepare an action plan and clear guidance for the effective implementation and monitoring of the policy and other measures to enhance civil society engagement.

29. Taking note of OPS5, Participants recognize the importance of the National Portfolio Formulation Exercises (NPFE) in enhancing country ownership and GEF impact and encourage GEF recipient countries to undertake NPFEs as early as possible to facilitate programming of GEF-6 country allocations. Participants further encourage recipient countries to engage a broad set of stakeholders, including relevant ministries, civil society and the private sector in the programming of GEF 6 resources.

### **Enhancing Gender Mainstreaming**

30. Participants note that OPS5 has found that an increased proportion of projects mainstreamed gender in project design since the adoption of the *GEF Policy on Gender Mainstreaming* in 2011. Participants also appreciate the gender analysis that has been presented to the Council as part of the Annual Monitoring Reviews during FY11 and FY12. While recognizing the recent improvements, Participants agree that more concerted action needs to be taken to enhance gender mainstreaming.

31. Participants welcome and acknowledge the GEF's commitment to engage in and systematically enhance gender mainstreaming at corporate and focal area levels during GEF-6. Participants request the Secretariat, in collaboration with the agencies, and other relevant partners to develop an action plan, for enhancing gender mainstreaming, including use of relevant gender sensitive indicators and sex-disaggregated data, and to present the action plan to the Council at its November 2014 meeting. Participants further request the action plan to consider ways to strengthen the Secretariat's technical capacity in this area.

### **Strengthening the Results-Based Management and Knowledge Management Systems**

32. Participants commend that Results-Based Management (RBM) has been given a central place in strategy development, and that all focal area and corporate program strategies have been developed with results-frameworks, including output and outcome targets, helping drive reporting. Participants stress the importance of developing a Knowledge Management System that aims to improve the GEF partnership's ability to learn by doing and thereby enhance its impact over time.

33. In developing the RBM and KM systems further, Participants request the Secretariat, in consultations with the Agencies, to improve the utility and efficiency of the systems by: (i) rationalizing the indicators in the focal area tracking tools, with particular focus on multi-focal area projects; (ii) improve the uptake of lessons learned in the GEF through the establishment of a learning platform. The Secretariat in consultation with the GEF Agencies, the Evaluation Office, ~~and STAP~~ and other bodies/GEF CSO Network, is requested to develop a comprehensive work plan for further strengthening of the results-based management system and for building a knowledge system, supported by a revamped technological platform that is fit for this purpose and present it to Council by [November 2014].