Effective stakeholder engagement is critical to the success of GEF-financed projects. Stakeholder engagement can improve project performance and impact by enhancing country ownership and accountability; addressing the social and economic needs of affected people; building partnerships among Agencies and stakeholders; and harnessing the skills, experiences and knowledge of a wide range of stakeholders, particularly civil society organizations (CSOs), community and local groups, and the private sector.

Stakeholder engagement has been broadly mainstreamed across the GEF Partnership and operations. At concept stage, project identification forms and program framework documents are required to identify key stakeholders, including civil society and indigenous peoples, and briefly describe how they will be engaged in project preparation.

Following project preparation, requests for endorsement or approval by the GEF CEO are required to elaborate on provisions for stakeholder engagement in project preparation and implementation, including through the development of a stakeholder engagement plan. The Secretariat, in its review of project and program proposals, addresses these questions as well.

Notwithstanding the GEF’s existing, wide-ranging policy framework for stakeholder engagement, there are important areas for improvement. In its Fifth Overall Performance Study the Independent Evaluation Office found that the Public Involvement Policy is “outdated, not systematically implemented, and ineffective.” The CSO Network also recommended an update of the Public Involvement Policy, particularly by broadening the scope of its application and strengthening the definitions and key principles of engagement.

The proposed, new Policy on Stakeholder Engagement addresses those concerns and introduces the following, key improvements to the 1996 Public Involvement Policy:

- **Roles, responsibilities and accountability**: The proposed, new policy is clearly focused on the Agencies and the Secretariat, and applicable to all GEF-financed activities. Unlike the 1996 Policy on Public Involvement, the proposed, new policy is written exclusively in mandatory language, thereby providing greater clarity in terms of application and accountability.

- **Use of Agency systems**: Recognizing that key aspects of stakeholder engagement cannot be addressed in detail in the Secretariat’s review of individual projects or programs, and noting the evolving policies, procedures and practices across the Partnership; the proposed, new policy would introduce a set of clear minimum standards for all Agencies, building on and complementing the standards already established through the policies on environmental and social safeguards and fiduciary standards.

- **Monitoring and reporting**: The proposed, new policy would introduce clear requirements for project—and program-level monitoring and reporting on stakeholder engagement by Agencies, and portfolio-level monitoring and reporting by the Secretariat.
Documentation requirements: To ensure adequate documentation of, and easy access to information regarding stakeholder engagement in GEF-financed activities, the proposed, new policy would introduce more specific, mandatory documentation requirements across the project cycle, including the requirement for Agencies to present a stakeholder engagement plan or equivalent at CEO Endorsement/Approval.

The proposed, new policy also introduces a set of minimum requirements for Agencies’ policies, procedures and capabilities related to stakeholder engagement. Agencies’ compliance with these requirements will be assessed drawing on the procedures established for assessing Agencies’ compliance with the 2011 policies on environmental and social safeguards and gender mainstreaming, as well as considerations included the Minimum Fiduciary Standards for GEF Partner Agencies. Following the initial assessment, Agencies’ compliance will be subject to periodic monitoring consistent with the 2016 policy on Monitoring Agency Compliance. With a view to minimizing transaction costs and harnessing synergies with other GEF policies, the Secretariat recommends that the initial assessment of Agencies’ compliance with the proposed, new Policy on Stakeholder Engagement be carried out only upon approval of an updated policy on environmental and social safeguards, which is expected in calendar year 2018.

The new Policy on Stakeholder Engagement comes into effect on July 1, 2018. Following the Councils’ approval of the proposed, new policy, the Secretariat will update project templates consistent with the new project-level documentation requirements. In addition, the Secretariat, in consultation with the Working Group on Public Involvement, and relevant stakeholders, will develop updated guidelines with explanatory information and resources to support the effective implementation of the policy. The Secretariat will post the guidelines on the GEF website after CEO approval, and will notify the Council and other stakeholders accordingly.

For more information visit: http://www.thegef.org/documents/policy-stakeholder-engagement