



GEF Council Bulletin

A Summary Report of the Forty-first Meeting of the Global Environment Facility (GEF) Council

Published by the International Institute for Sustainable Development (IISD)

ONLINE AT [HTTP://WWW.IISD.CA/YMB/GEF/COUNCIL41/](http://www.iisd.ca/YMB/GEF/COUNCIL41/)
VOLUME 192, NUMBER 1, SATURDAY, 12 NOVEMBER 2011



SUMMARY OF THE 41ST MEETING OF THE GLOBAL ENVIRONMENT FACILITY COUNCIL 8-10 NOVEMBER 2011

The 41st Meeting of the Global Environment Facility (GEF) Council convened in Washington, DC, US, from Tuesday to Thursday, 8-10 November 2011, at the International Monetary Fund (IMF) headquarters. Over 200 representatives of governments, international organizations and civil society organizations (CSOs) attended the three-day meeting. A reception took place on the eve of the Council meeting at the IMF headquarters, where participants also convened the next day to consider a very full agenda.

During the meeting, Council members discussed at length the options for engaging with the private sector: while many welcomed collaboration with the private sector they also shared concerns, ranging from constraints on reflows and lack of guidance on the rules of engagement, to lack of operation modalities and clarity on the comparative advantages of GEF's engagement with the private sector. In addition, the Council approved a revised strategy for programming the GEF's fifth replenishment period's (GEF-5) private sector funds and requested the Secretariat, in consultation with the multilateral development banks, to present to the Council at the 42nd meeting of the GEF Council in June 2012, a detailed paper outlining clear operational modalities for private sector engagement.

Council members also adopted a large new Work Program, which reflected the needs and views of 99 beneficiary countries, the widest coverage achieved in a GEF Work Program to date and the largest, with 40 project concepts and nine programmatic approaches approved. Four other projects associated with programmatic approaches were also approved. Of the project concepts approved, eleven are for biodiversity focal area, eight for climate change, two for international waters, 23 for land degradation, five for persistent organic pollutants. With respect to administrative fees, Council requested the Secretariat to establish a working group comprised of four Council Members, the GEF Secretariat and GEF agencies, to review the fee structure, including the corporate fee, with a view to decreasing the total costs of the fee structure, and presenting a proposal for a new fee policy at the 42nd GEF Council meeting.

On strengthening relationships with other conventions, Council members adopted a decision asking the Secretariat to organize a meeting of biodiversity-related conventions with the Secretariat to the Convention on Biological Diversity (CBD) to facilitate the coordination of their priorities for inclusion in the GEF-6 programming strategy. On a new policy on



Chair Monique Barbut, Global Environment Facility (GEF) CEO

environmental and social safeguards, the Council approved provisions on how such policy should be applied to existing GEF Agencies and GEF Project Agencies.

Among other issues, the Council also discussed and deliberated details of the separation of implementing and executing functions within and among agencies.

During the 11th meeting of the Council for the Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF), which took place on 10 November in the morning, Council members approved the joint work program and the Monitoring and Evaluation Policy. In addition to these two Council meetings, issues related to the GEF Council meeting were discussed during a consultation with Civil Society Organizations, on 7 November 2011.

This summary highlights the discussions and decisions reached at the 41st meeting of the GEF Council and the LDCF/SCCF Council meeting.

IN THIS ISSUE

A Brief History of the GEF	2
Report of the 41st Meeting of the GEF Council	2
Report of the LDCF/SCCF Council Meeting	7
Upcoming Meetings	8
Glossary	9

The *GEF Council Bulletin* is a publication of the International Institute for Sustainable Development (IISD) <info@iisd.ca>, publishers of the *Earth Negotiations Bulletin* © <enb@iisd.org>. This issue was written and edited by Tanya Rosen and Laura Russo. The Digital Editor is Diego Noguera. The Editor is Leonie Gordon <leonie@iisd.org>. The Director of IISD Reporting Services is Langston James "Kimo" Goree VI <kimo@iisd.org>. Funding for coverage of this meeting has been provided by the Global Environment Facility (GEF). IISD can be contacted at 161 Portage Avenue East, 6th Floor, Winnipeg, Manitoba R3B 0Y4, Canada; tel: +1-204-958-7700; fax: +1-204-958-7710. The opinions expressed in the *Bulletin* are those of the authors and do not necessarily reflect the views of IISD. Excerpts from the *Bulletin* may be used in other publications with appropriate academic citation. Electronic versions of the *Bulletin* are sent to e-mail distribution lists (in HTML and PDF format) and can be found on the Linkages WWW-server at <<http://www.iisd.ca/>>. For information on the *Bulletin*, including requests to provide reporting services, contact the Director of IISD Reporting Services at <kimo@iisd.org>, +1-646-536-7556 or 300 East 56th St., 11D, New York, New York 10022, United States of America.

A BRIEF HISTORY OF THE GEF

The GEF was created in 1991 as a result of mounting concern in the preceding decade over global environmental problems and efforts to formulate financing responses to address these problems. The GEF operated in a pilot phase until mid-1994. Negotiations to restructure the organization were concluded at a GEF participants' meeting in Geneva in March 1994, where representatives of 73 states agreed to adopt the GEF Instrument.

The GEF organizational structure includes an Assembly that meets every four years, a Council that meets twice a year, a Secretariat, and the Scientific and Technical Advisory Panel. The GEF Assembly met from 1-3 April 1998 in New Delhi, India, from 16-18 October 2002 in Beijing, China, from 29-30 August 2006 in Cape Town, South Africa, and on 25-26 May 2010, in Punta del Este, Uruguay. For IISD Reporting Services coverage of these meetings see: <http://iisd.ca/sd>

The organization's main decision-making body is the GEF Council, which is responsible for developing, adopting and evaluating its operational policies and programmes. It is comprised of 32 appointed Council members, each representing a constituency (i.e. a group of countries including both donors and recipients).

The GEF is funded by donor nations, which commit money every four years through a process called the GEF replenishment. Since its creation in 1991, the GEF Trust Fund has been replenished by US\$2.75 billion (GEF-1), US\$3 billion (GEF-2), US\$3.13 billion (GEF-3), US\$3.13 billion (GEF-4) and US\$4.34 billion (GEF-5). GEF-5 covers GEF operations and activities for the four years from July 1, 2010 to June 30, 2014.

The GEF also administers the Least Developed Countries Fund (LDCF) and the Special Climate Change Fund (SCCF), and provides secretariat services to the Adaptation Fund established by the parties to the Kyoto Protocol of the UN Framework Convention on Climate Change (UNFCCC).

The GEF serves as a financial mechanism for a number of multilateral environmental agreements, the CBD, the UNFCCC, the Stockholm Convention on Persistent Organic Pollutants, and the UN Convention to Combat Desertification. GEF work also focuses on sustainable forest management, international waters, and ozone layer depletion.

Currently, GEF funding has been channeled to recipient countries through ten agencies: the UN Development Programme; the UN Environment Programme; the World Bank; the UN Food and Agriculture Organization; the UN Industrial Development Organization; the African Development Bank; the Asian Development Bank; the European Bank for Reconstruction and Development; the Inter-American Development Bank; and the International Fund for Agricultural Development.

40TH MEETING OF THE GEF COUNCIL: The GEF Council convened in Washington, DC, US, from 24-26 May 2011. At this meeting, Council members applauded their "historic" decision on broadening the GEF Partnership under Paragraph 28 of the Instrument for the Establishment of the Restructured GEF (GEF Instrument), which establishes criteria and accreditation procedures for allowing new entities into the Partnership during a pilot phase. Related to this decision, the Council agreed on "provisional" policies on environmental and social safeguards and a policy on gender mainstreaming. Council members also applauded their decision to approve

the arrangements for the operation of the Nagoya Protocol Implementation Fund, established based on Japan's proposal and initial contribution.

Council members adopted the GEF Corporate and Evaluation Office budgets, and adopted a work program that comprises project concepts and one programmatic approach – regarding support for the Great Green Wall initiative. The Council also discussed and adopted a Communication and Visibility Policy, designed to enhance the visibility of the GEF's role in projects with GEF financing.

REPORT OF THE 41ST MEETING OF THE GEF COUNCIL

On Tuesday November 8, 2011, Monique Barbut, Chief Executive Officer (CEO) and Chairperson of the Global Environment Facility (GEF), opened the 41st meeting of the GEF Council, highlighting the need for efficiency, transparency and sharing of results. She emphasized the GEF's new Work Program, which was being submitted to the GEF Council for approval, reflects the needs and views of 99 beneficiary countries, the wider coverage achieved in a GEF work program to date. In that regard, she noted the Work Program demonstrates real country ownership, with 90 % of all projects co-financed with resources outside of the GEF. She also called attention to decisions to be taken on the Revised Strategy for Enhancing Engagement with the Private Sector, noting it could increase private sector participation, and the GEF Policy on Agency Minimum Standards on Environmental and Social Safeguards, highlighting, *inter alia*, its role in reducing the negative environmental effects of GEF operations. Finally, she noted the report of the Selection and Review Committee and the related search for the new GEF CEO.

The Council then elected Claudia Grayeb-Bayata (Mexico) to Co-Chair the meeting. The Council also adopted the agenda (GEF/C.41/01/Rev.03) with suggestions by Council members to address under "Other Business" the types of projects and activities to be designed under the Nagoya Implementation Fund and took note of an oral report of cost implications of independent review of GEF Systems (GEF.C.41.Inf.12).

RELATIONS WITH CONVENTIONS AND STRENGTHENING RELATIONS WITH THE CONVENTIONS

On Tuesday, the GEF Council heard statements from representatives of three multilateral environmental agreements at the beginning of its discussion of "Relations with the Conventions."



STATEMENTS BY THE EXECUTIVE SECRETARIES OF THE CONVENTIONS:

Melchiade Bukuru, speaking on behalf of the Executive Secretary of the UN Convention to Combat Desertification (UNCCD), highlighted the outcomes of the Tenth Conference of the Parties (CoP10) related to the GEF, describing the evolution of the relationship between UNCCD and the GEF, and noting that the GEF was invited to consider increasing its allocation to land degradation.

Ravi Sharma, speaking on behalf of the Executive Secretary of the UN Convention on Biological Diversity

(CBD), highlighted the relationship between the GEF and CBD, noting that CBD CoP10 decided that guidance to the GEF consists of a list of programme priorities that defines what is to be financed, and an outcome-oriented framework, taking into account the Strategic Plan of the Convention. He also highlighted a forthcoming assessment report on funding needs and workshops on biodiversity and finance jointly organized with the GEF Secretariat.



Melchiade Bukuru, UN Convention to Combat Desertification (UNCCD)

John Scanlon, Secretary-General, Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES), which does not have the GEF as a financial mechanism, noted CITES is currently exploring access to finance. He emphasized that CITES deals with the overexploitation of biodiversity through illegal and unsustainable trade in wild fauna and flora. He highlighted that CITES's regulated trade

is a multibillion dollar business, contributing to sustainable development and that, as international demand for wildlife is increasing, and illegal trade of species' parts like rhino horn, worth more than gold, is increasing, CITES needs financial support. Scanlon noted that, if GEF were to become CITES' financial mechanism, immediate threats to biodiversity loss as a result of illegal or unsustainable trade could be addressed.



John Scanlon, Secretary-General, Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES)

RELATIONS WITH THE CONVENTIONS: Discussion on the issue of relations with conventions was based on document GEF/C.41/03. The Secretariat highlighted, *inter alia*, the status of preparations and submission of the Fourth National Biodiversity Reports, the report submitted to UNCCD CoP10 on financing for enabling activities, contribution to the Green Climate Fund (GCF) Transitional Committee, reporting to the Stockholm Convention and developments on international waters.

In the ensuing discussion, Council members stressed the importance of continued collaboration and asked for clarifications related to the Nagoya Implementation Fund, the support to the Clean Technology Centers, and global reporting. Some Council members expressed concern about the requests

coming from CITES and the Convention on the Conservation of Migratory Species of Wild Animals (CMS) for GEF to become their financial mechanism, stressing the importance of strengthening synergies among all the biodiversity-related conventions.

Decision: The Council welcomed the report and requested: the GEF network to continue working with recipient countries to reflect the guidance and national priorities in their respective GEF programming and activities; and the GEF Secretariat to organize a meeting of biodiversity related conventions with the CBD Secretariat to facilitate the coordination of their priorities to be included in the GEF-6's programming strategy.

REPORT BY THE CHAIR OF THE SCIENTIFIC AND TECHNICAL ADVISORY PANEL

On Tuesday, Thomas Lovejoy, Chair, GEF Scientific and Technical Advisory Panel (STAP), introduced document GEF/C.41/Inf.15, highlighting the work program's large number of multifocal area projects and programmes. He noted several recent initiatives on the "Quality at Entry" and impact of GEF projects, experimental design and climate resilience in GEF projects. He underscored the GEF Lake Chad Basin project and the policy brief on "Biodiversity and Ecosystems for a Planet under Pressure" compiled in preparation for the UN Conference on Sustainable Development (UNCSD or Rio+20). Among upcoming initiatives, Lovejoy noted the focus on protecting GEF investments, and the initiatives on nitrogen use as a means of enhancing global environmental benefits and the role of planetary boundaries and how they are being crossed.

Several Council members welcomed the initiative on experimental design of projects. One Council member asked about the use of STAP recommendations for experimental

project design. Another asked how the highlighted policy brief can feed into the Rio+20 outcomes and how nitrogen cycle science can have a better bearing on the design of projects and achievement of Millennium Development Goals (MDGs). Lovejoy noted that the responsibility for feeding the policy brief lies with the International Council for Science (ICSU). He also highlighted that the science on the role of

nitrogen in increasing food production can play a role in the contribution to the achievement of MDGs.

Another Council member praised the report and suggested the opportunity to improve the knowledge management component of the report.

In response to a question from a Council member, Lovejoy highlighted that specific actions on improving climate resilience of GEF projects are seldom proposed or indicated, with the analysis of climate risks often remaining superficial.

Outcome: The GEF Council took note of the report.

GEF EVALUATION OFFICE: PROGRESS REPORT FROM THE DIRECTOR

On Tuesday, Robert van den Berg, Director, GEF Evaluation Office (EO), presented document GEF/ME/C.41/01, highlighting: ongoing country portfolio evaluations; collaboration with STAP on impact work; and Climate-

Eval, a community of practice on evaluating climate change and development. He also highlighted the Fifth Overall Performance Study of the GEF (OPS5) as a key element of the EO work, and said that a consultative process to draft terms of reference for OPS5 has started, which will lead up to a working document for the 42nd GEF Council meeting.

In the discussion, a Council member enquired about efficiency savings, and van den Berg said that OPS5 has a much lower budget than OPS4. A civil society organization (CSO) representative lamented that the Project Management Information System (PMIS) does not allow data on CSO engagement in GEF to be properly collected, to which van den Berg responded that improvements to the PMIS are being made.

Decision: The Council took note of the on-going work of the EO and the outlines of GEF OPS5 and requested the EO to prepare draft terms of reference for OPS5 for approval at the 42nd GEF Council meeting, taking into account comments made.



Faizal Parish, Civil Society Organizations

ANNUAL THEMATIC EVALUATIONS REPORT 2011 AND MANAGEMENT RESPONSE

On Tuesday, discussion on this item was based on documents GEF/ME/C.41/02 (Annual Thematic Evaluations Report 2011) and GEF/ME/C.41/03 (Management Response to the Annual Thematic Evaluations Report 2011).

In presenting the annual thematic evaluation report, the GEF EO highlighted the main conclusions and recommendations of the Evaluation of the GEF National Capacity Self-Assessment (NCSA), including that: the NCSA initiative was a central part of the GEF strategic framework for capacity development; the “One-size-fits-all” approach, by which USD 200,000 was granted to each country, was not the most efficient way to assess global environmental capacity needs at the national level; the NCSA consultative process should have been more inclusive of CSOs; public awareness and environmental education, information and policy and regulatory frameworks were top cross-cutting capacity development needs; and that the GEF and the Conventions did not take full advantage of the information produced by the NCSA initiative.

In the management response, the Secretariat welcomed the conclusions and recommendations of the evaluation. In the discussion, one Council member suggested making the knowledge products of NCSA available to GEF focal points.

Decision: The Council requested the Secretariat to incorporate NCSA experiences and lessons learned in the programming approach for GEF-6, and to make available NCSA knowledge products of, including toolkits on how to conduct them, to agencies and GEF workshops such as Multi-Stakeholder Dialogues, as well as to GEF Focal Points.

ANNUAL MONITORING REPORT FISCAL YEAR 2011: PART 1

On Tuesday, the GEF Secretariat introduced document GEF/C.41/04/Rev.01. The Secretariat noted that the Annual Monitoring Review (AMR) is designed to provide information regarding the overall health of the GEF Trust

Fund’s active portfolio of projects and to provide an overview of the portfolio’s approvals in any given fiscal year. She highlighted the reform of the Results-Based Management (RBM) system that allows the GEF partnership to focus its efforts on an in-depth analysis of focal area results and identify areas that can provide learning opportunities at the portfolio level. She noted that the current AMR provides an overview of cumulative project approvals since GEF inception, performance ratings of GEF’s active portfolio and information on management effectiveness and efficiency indicators. In response to a Council member’s inquiry as to how the impacts on biodiversity and climate mitigation trends can be viewed, the Secretariat noted that visualizing such impacts would be addressed in the second phase of the project. Other Council members inquired how project and funding data can be used and more information on project cycles and the efficiency indicators for GEF-5 can be made available.

Decision: The Council noted the overall finding that the GEF portfolio under implementation in 2011 performed satisfactorily across all focal areas; and having reviewed the revised management effectiveness and efficiency indicators for GEF-5, approved the indicators contained in the document and requested the Secretariat to report on these through subsequent AMRs.

REVISED STRATEGY FOR ENHANCING ENGAGEMENT WITH THE PRIVATE SECTOR

On Tuesday, the Secretariat introduced document GEF/C.41/09. The Secretariat highlighted that engagement with the private sector has been driven by the need to have long-term and substantive impact on the global environment, and that private enterprises must be encouraged to pursue commercially-viable activities that also generate global environmental benefits. She noted that the report offers a revised strategy, which incorporates comments from the 40th Council meeting, feedback from the agencies, and additional consultation and research. The Secretariat emphasized that the strategy offers three modalities: establishing public-private partnership programmes with multilateral development banks to promote the use of non-grant instruments that generate reflows; incentivizing the use of non-grant instruments that generate reflows within System For a Transparent Allocation of Resources (STAR) allocation or non-STAR focal area projects through a matching program; and encouraging innovation in small and medium enterprises through a pilot project.

Many Council Members welcomed the collaboration with the private sector but expressed concerns on: the constraints on reflows; lack of guidance on the rules of engagement with the private sector; lack of operation modalities and clarity on the comparative advantages of GEF’s engagement with the private sector; and barriers to engagement. Some Council members also stressed the importance of involving the country focal point in decisions about which private enterprises to engage



Christopher Whaley, United Kingdom



Council members during the meeting.

with. While there was overall support for modalities one and two, some Council members expressed concern over the use of the term “strategy” and the fate of reflows in situations, as described in modality two, where a country uses a STAR allocation.

Decision: The Council adopted as amended a revised strategy for programming GEF-5 private sector funds and requested the Secretariat to present to the Council at its 42nd meeting, in consultation with the multilateral development banks, a detailed paper outlining clear operational modalities for private sector engagement.

GEF MINIMUM FIDUCIARY STANDARDS: SEPARATION OF IMPLEMENTATION AND EXECUTION FUNCTIONS IN GEF PARTNER AGENCIES

On Tuesday, the Trustee presented document GEF/C.41/06/Rev.01, highlighting that currently the separation of functions of GEF Partner Agencies between project implementation and execution is not adequately addressed. She recommended the Standards be revised to include a provision for a clear separation of those functions within the GEF Partner Agency.

In the discussion, which took place on Wednesday morning, Council members supported the recommendation and asked for clarification about: legal responsibility in the case of direct access of recipient countries to GEF funds; practical arrangements within the GEF agencies to implement the separation of functions; and the terminology, as “implementation” and “execution” have very similar meaning. One Implementing Agency described the agency’s internal system for the separation of supervision and execution

functions, such as different units being responsible for project management and execution, and separate reporting lines. One Council member requested more information to be provided on the legal responsibilities in the case of direct access, and GEF CEO Barbut suggested that an information document would be prepared by the Secretariat to this effect.

Decision: The Council decided that Section A.2 (g) of the GEF Minimum Fiduciary Standards be revised to address separation of implementation and execution functions for all GEF Partner Agencies.

WORK PROGRAM

On Wednesday, the GEF Secretariat introduced the Work Program, which contains 53 different project proposals, four of which are projects submitted under programmatic approaches. The Secretariat noted that some of the projects are multifocal and others are specific to thematic areas such as climate change, land degradation and biodiversity.

One Council member highlighted that some Project Identification Forms (PIFs) require review to increase their coherence with bilateral initiatives and evaluate politically sensitive elements contained therein. Another welcomed the focus on areas beyond national jurisdiction, but stressed that there are ongoing contentious elements being debated in UN fora that might require some review.

Council members recognized the importance of: mainstreaming climate adaptation in project design; co-financing of projects through private business participation; small grants programmes; transparency; and greater non-governmental organization (NGO) participation.



The dais during the morning session.



Daniel J. Gustafson (left), UN Food and Agriculture Organization (FAO)

One NGO stressed that greater local and national level NGO and CSO participation is needed.

Decision: The Council approved the Work Program comprising 40 project concepts and

nine programmatic approaches. Four other projects associated with programmatic approaches were also approved. Of the project concepts approved, eleven are for biodiversity focal area, eight for climate change, two for international waters, 23 for land degradation, five for persistent organic pollutants.

CRITERIA FOR THE ESTABLISHMENT OF TRUST FUNDS WITHIN THE GEF

On Wednesday, the Secretariat introduced document GEF/C.41/CRP.01, recommending the establishment a standing trust fund in which multiple windows could be created within a given replenishment period, and proposed criteria for establishing the fund. He noted this document was a revision of document GEF/C.41/12 already available to Council members.

During the discussion, some Council members expressed support for the standing fund with multiple windows under strict criteria, *inter alia*: a sunset clause, threshold contribution and donors contributions to the standing trust fund to be additional to pledges under the GEF Replenishment. Other Council members cautioned against creating unrealistic expectation for such a fund, and some questioned the need for a standing fund as the need for creating new funds between GEF replenishments has only arisen three times in the 20 years since GEF was established. Some Council members highlighted the issue of chemicals as an emerging issue.

Decision: The Council took note of the documents and requested the Secretariat, bearing in mind the comments made by the Council, to keep the documents under review and resubmit the proposal in the future at Council's request.

GEF POLICY ON AGENCY MINIMUM STANDARDS ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS

On Wednesday, the Secretariat introduced document GEF/C.41/10, highlighting the proposed adoption of a Policy on Agency Minimum Standards on Environmental and Social Safeguards. He noted that the first goal of environmental and social safeguard systems is to avoid adverse impacts and, if that is not possible, minimize or mitigate negative impacts. The Secretariat highlighted that the Policy will have a set of principles that will apply to GEF projects and eight minimum standards that all GEF Partner Agencies will be expected to meet in order to implement GEF projects. He highlighted, among others, the following standards: environmental and social impact assessment, natural habitats, involuntary resettlement and Indigenous Peoples.

He also emphasized that the GEF Council will have the ability to make a finding of "inapplicability" for some of the standards if it is found that the Agency would not reasonably need to apply such a safeguard in the context of its GEF operations.

Many Council members recognized that the Policy should be a "living document" that changes and adapts over time. Many welcomed the opportunity to mainstream safeguards

into GEF projects as more agencies are involved. One Council member inquired how the Policy is going to be funded. Another lamented the restrictive approach of the Policy, stressing that human rights and local communities are not captured in the safeguards. One Council member underscored that the rationale for having the Policy should not be that the network of partners and agencies is getting larger but that the Policy is consistent with the objectives of the Facility.

An NGO representative welcomed the new Policy but lamented that minimum standards, such as involuntary resettlement, might be inapplicable.

Decision: The Council approved the Policy as included in Annex II of document GEF/C.41/10, with amendments made by the Secretariat to reflect Council comments. The Council also approved provisions contained in the document regarding how the Policy should be applied to existing GEF Agencies and GEF Project Agencies. The Council asked the Secretariat to reference the Policy in relevant sections of the GEF Fiduciary Standards when they are updated in the future.

The Council requested the GEF Evaluation Office to assess the Policy on Agency Minimum Standards on Environmental and Social Safeguards in 2014 so that the Secretariat and Council may take its recommendations into account in revising the Policy. The Council also requested that the Secretariat present a revised Policy for Council's consideration in 2015.

GEF ADMINISTRATIVE EXPENSES - FEES AND PROJECT MANAGEMENT COSTS: EXTERNAL REVIEW



Mary Barton-Dock, World Bank

On Wednesday, the Secretariat presented document GEF/C.41/07, recommending ways to improve the Agency fee structure. The report provoked an intense and lengthy discussion, with 24 Council members intervening and three Implementing Agencies (IAs) making statements. The World Bank, also on behalf of the UN Development Programme (UNDP) and the UN Environment Programme (UNEP), expressed concern about the document, which in her view did not reflect the information provided by the IAs to the consultant, and for the



Maryam Niamir-Fuller, UN Environment Programme (UNEP)

recommendations suggesting some Agency fees are arbitrarily chosen. She said IAs were ready to provide any detailed information on the use of the agency fees to the Council. After this statement, several Council members noted that the "partnership" principle of the GEF network was an essential element of the success of the GEF and lamented the lack of cooperation and communication between the GEF Secretariat and the IAs shown by the World Bank's intervention. Some members supported the concerns expressed by the IAs regarding arbitrarily set fees. All Council members supported the need for efficiency, with some emphasizing the need to maintain the value of the services provided by the IAs while



The dais during the morning session.

striving for cost reduction. Several Council members noted that the 60% increase in the new replenishment would justify a cut in corporate activities fees. Some supported the draft recommendations contained in the report, while others felt the information provided in the report was not conclusive to support a decision on changing the current fee system.

Decision: The Council took note of the findings of the review and requested the Secretariat establish a working group comprised of four Council members (two from donor constituencies and two from recipient constituencies), the GEF Secretariat and GEF agencies, to review the full fee structure, including the corporate fee, with a view to decreasing the total costs of the fee structure, and presenting a proposal for a new fee policy at 42nd Council meeting.

RULES

REGARDING GEF CONSTITUENCIES

On Thursday, the World Bank presented document GEF/C.41/11 on Rules regarding GEF Constituencies, highlighting that it provides summary information allowing the GEF Council to assess whether the current composition of the GEF still reflects the agreed burden-sharing among GEF Participants.

After the presentation, two Council members provided an update on the status of their payments. In the discussion, Council members thanked the Secretariat for preparing the report and agreed the report should be kept under review.

Decision: The Council welcomed and took note of the report on the rules regarding the composition of GEF Constituencies and decided to keep it under review.

REPORT OF THE SELECTION AND REVIEW COMMITTEE

On Thursday, the Council approved the terms of reference for the GEF CEO and decided to launch the search for the next GEF CEO with Egon Zehnder International to carry out the

search. The Council also decided to circulate for decision by mail the Committee's recommendations on the salary review of the GEF CEO and EO Director with Council members' comments on the decision to be received by November 30, 2011.

Outcome: The GEF Council took note of the report.

OTHER BUSINESS

On Thursday, the Trustee provided an update (GEF/C.41/Inf.13) on the independent review of systems in the GEF-5 replenishment process (GEF.C.41.Inf.12). The writers of the independent review expressed concern for the increased costs of GEF infrastructure and highlighted associated risks and inefficiencies.

In response to Council member's concern in relation to the objectives and priorities of the Nagoya Protocol Implementation Fund, the Secretariat clarified, *inter alia*, how the resources in the Fund will be used.

The GEF Council also decided to hold the 42nd Council on 26-28 June 2012 in view of the change of dates of the UN Conference on Sustainable Development (UNCSD or Rio+20).

JOINT SUMMARY OF THE CHAIRS

On Thursday afternoon, Council Members received a draft Joint Summary of the Chairs, which included the decisions they adopted. They adopted the Joint Summary. The meeting was gavelled to a close at 1.15 pm.

REPORT OF THE LDCF/SCCF COUNCIL MEETING

On Thursday, GEF CEO Monique Barbut opened the 11th meeting of the LDCF/SCCF Council. She emphasized the positive contribution of the two funds to livelihood improvement, as it was also highlighted by the recent independent evaluation. She expressed her satisfaction with the diversified work program of the two funds and its relevance to the environmental and sustainable development agenda of countries. She called on continued and increased donor support to the funds.

The LDCF/SCCF Council then adopted the provisional agenda (GEF/LCDF.SCCF.10/1/Rev.3) without amendment. The meeting was gavelled to a close at 2.50 pm.

GEF STAP PRESENTATION ON CLIMATE CHANGE



.H. Ravindranath, Indian Institute of Science

N.H. Ravindranath, GEF STAP, gave a presentation highlighting the impacts of climate change and discussions with GEF Secretariat Adaptation Team and Task Force to incorporate experimental design measures into GEF projects.

JOINT WORK PROGRAM FOR LDCF AND SCCF

The Secretariat presented the joint LDCF/SCCF work program (document GEF/LDCF.SCCF.11/03/Rev.1) containing five projects under the SCCF Adaptation Program, three multi-trust fund initiatives drawing resources from the GEF Trust Fund and the SCCF Adaptation Program, and one multi-trust fund project drawing resources from the GEF Trust Fund and the LDCF.

In the discussion, a Council member requested further information on the relationship between the funds available in the LDCF and the project pipeline. Some donor members described the challenges for providing contributions when funds are still available in the LDCF and the Secretariat said they would provide the list of pipeline projects to Council members.

Decision: The LDCF/SCCF Council reviewed and approved the joint work program without comments.

MONITORING AND EVALUATION POLICY FOR LDCF AND SCCF

GEF EO Director van den Berg presented document GEF/LDCF.SCCF.11/ME/01 entitled Monitoring and Evaluation Policy for the LDCF/SCCF, and recommended the Council approve the Monitoring & Evaluation (M&E) policy and further work by the Secretariat and the EO on the operational guidelines.

Decision: The LDCF/SCCF Council approved the M&E Policy for the LDCF and the SCCF and noted that the GEF Evaluation Office will develop guidelines on the operationalization of the policy in collaboration with the Secretariat.

EVALUATION OF THE SCCF AND MANAGEMENT RESPONSE

On Thursday, GEF EO Director van den Berg introduced document GEF/LDCF.SCCF.11/ME/02, highlighting the evaluation findings, including that: SCCF funding is not commensurate with the global mandate; the SCCF is relevant to the national sustainable development agendas; the SCCF

has employed innovative approaches and is well-g geared towards replicability and upscaling; the SCCF has the lowest management costs of comparable funds; an informal project pre-selection process is in place which is not transparent; and knowledge exchange and learning mechanisms do not exist. He recommended the Council appeal to donors to adequately fund the SCCF in a predictable manner, preferably through a replenishment process.

The Secretariat presented the Management Response to the Evaluation of the SCCF (GEF/LDCF.SCCF.11/ME/03) and supported the recommendations made by the Evaluation.

Many Council members welcomed the report and expressed satisfaction with the positive findings. Several Council members did not support the recommendation on a replenishment process for the SCCF.

Decision: The LDCF/SCCF Council noted the conclusion of the impact of funding levels and the need for continued support and requested the Secretariat to prepare proposals to ensure: transparency of the project pre-selection process; dissemination of good practices through existing channels; and visibility of the fund by requiring projects to identify their funding source

UPCOMING MEETINGS

UNFCCC COP 17 and COP/MOP 7: The 17th session of the UN Framework Convention on Climate Change (UNFCCC) Conference of the Parties (COP 17) and the seventh session of the Conference of the Parties serving as the meeting of the Parties to the Kyoto Protocol (COP/MOP 7) to the Kyoto Protocol will take place in Durban, South Africa. South Africa's website: <http://www.cop17durban.com>
dates: 28 November - 9 December 2011 **location:** Durban (Kwazulu-Natal), South Africa **contact:** UNFCCC Secretariat **phone:** 49-228-815-1000 **fax:** 49-228-815-1999 **e-mail:** secretariat@unfccc.int **www:** http://unfccc.int/meetings/unfccc_calendar/items/2655.php?ye...

12th Special Session of the UNEP Governing Council/Global Ministerial Environment Forum

The Governing Council of the UN Environment Programme (UNEP) decided in February 2011 to hold the 12th special session of the Governing Council/Global Ministerial



Group photograph at the end of the Council meeting.

Environment Forum (GCSS 12/GMEF) from 20-22 February 2012. **dates:** 20-22 February 2012 **location:** Nairobi (Nairobi Area), Kenya **contact:** Secretary, Governing Bodies, UNEP **phone:** +254-20 7623431 **fax:** +254-20 7623929 **e-mail:** sgc.sgb@unep.org **www:** <http://www.unep.org/resources/gov/#>

Spring Meetings of the International Monetary Fund and the World Bank Group: These meetings discuss progress on the work of the World Bank and the International Monetary Fund (IMF). Also featured are seminars, regional briefings, press conferences, and many other events focused on the global economy, international development, and the world's financial markets. **dates:** 20-22 April 2012 **location:** Washington, DC, US .

UNFCCC Subsidiary Bodies May 2012: The venue for these meetings of the UNFCCC Subsidiary Bodies is likely to be Bonn, Germany. **dates:** 14-25 May 2012 **location:** TBA **contact:** UNFCCC Secretariat **phone:** 49-228-815-1000 **fax:** 49-228-815-1999 **e-mail:** secretariat@unfccc.int **www:** <http://www.unfccc.int>

UN Conference on Sustainable Development (UNCSD): This meeting is also referred to as Rio+20. The UN General Assembly, in December 2009, adopted a resolution calling for a UNCSD to be convened in Brazil in 2012. This meeting will mark the 20th anniversary of the UN Conference on Environment and Development (UNCED), which convened in Rio de Janeiro, Brazil. The General Assembly resolution specifies that a three-day PrepCom should convene in May 2010, a two-day PrepCom should convene in February-March 2011, and a three-day PrepCom should convene immediately before UNCSD. On 4 November 2011, Dilma Rousseff, President of Brazil, announced a proposal to change the dates to 13-15 June 2012 for PrepCom III and 20-22 June 2012 for the UNCSD, in order to allow for highest-level participation. The previously scheduled dates were 28-30 May 2012 for PrepCom III and 4-6 June 2012 for the UNCSD. **dates:** 20-22 June 2012 [tentative] **location:** Rio De Janeiro (Rio De Janeiro), Brazil **contact:** UNCSD Secretariat **e-mail:** uncsd2012@un.org **www:** <http://www.uncsd2012.org/>

GEF 42nd Council Meeting: The Global Environment Facility (GEF) Council is the main governing body of the GEF. It functions as an independent board of directors, with primary

responsibility for developing, adopting, and evaluating GEF programmes. Council members representing 32 constituencies (16 from developing countries, 14 from developed countries, and two from countries with transitional economies) meet twice each year for three days. **dates:** 25-28 June 2012 **venue:** GEF Secretariat, 1818 H Street, NW, Mail Stop P4-400 Washington, DC 20433 **location:** Washington (District of Columbia), United States of America **contact:** GEF Secretariat **phone:** 1 202 473-0508 **fax:** 1 202 522-3240 **e-mail:** secretariat@thegef.org **www:** <http://www.thegef.org/gef/node/4578>

GLOSSARY

CBD	Convention on Biological Diversity
CEO	Chief Executive Officer
CITES	Convention on International Trade in Endangered Species of Wild Fauna and Flora
CMS	Convention for the Conservation of Migratory Species of Wild Animals
COP	Conference of the Parties
CSO	Civil Society Organization
EO	Evaluation Office
GCF	Green Climate Fund
GEF	Global Environment Facility
IA	Implementing Agency
IMF	International Monetary Fund
LDCF	Least Developed Countries Fund
NCSA	National Capacity Self-Assessment
NGO	Non-Government Organization
OPS	Overall Performance Study
PIF	Project Identification Form
SCCF	Special Climate Change Fund
STAP	Scientific and Technical Advisory Panel
UNCCD	UN Convention to Combat Desertification
UNCSD	UN Conference on Sustainable Development (also known as Rio+20)
UNDP	UN Development Programme
UNEP	UN Environment Programme



Delegates enjoying lunch.