

## Summary of the 63rd Meeting of the Global Environment Facility Council: 28 November - 2 December 2022

The Council of the Global Environment Facility (GEF) at its 63rd Meeting kicked off the GEF’s eighth funding cycle (GEF-8) by approving a somewhat modest, but nevertheless important Work Program. This first GEF-8 Work Program allocates, among others, 46% of funds to the biodiversity focal area and 32.1% to chemicals and waste, and benefits 37 recipient countries, including nine Least Developed Countries (LDCs) and 12 Small Islands Developing States (SIDS).

The GEF Council had several important items to consider during its first Meeting following the endorsement of GEF-8 in June 2022. In addition to reviewing and approving the first Work Program, the Council also endorsed the framework of implementation arrangements for the GEF Small Grants Programme in GEF-8, called the “SGP 2.0.” The expanded SGP 2.0 incorporates several new features, including:

- opening up SGP core implementing roles with up to two new agencies, in addition to UNDP;
- creating two new civil society organization (CSO) initiatives, including a Challenge Program and a Microfinance Initiative; and
- eliminating the “upgrading” country policy so that core SGP resources are allocated equally across eligible countries.

Council Members also heard a presentation on the proposed framework for the GEF’s role in a financial mechanism for the internationally legally binding instrument under negotiation under the UN Convention on the Law of the Sea (UNCLOS) on the Conservation and Sustainable use of Marine Biological Diversity of Areas Beyond National Jurisdiction (BBNJ). Rena Lee, President, BBNJ Intergovernmental Conference (IGC), briefed the Council on the status of BBNJ negotiations, noting general support for the GEF to serve as the financial mechanism or part of the mechanism for the legally binding instrument once concluded. Council Members all expressed strong support for the GEF to serve as a financial mechanism for any instrument on BBNJ, and adopted a decision confirming that, if requested by the IGC, the Council would welcome the GEF becoming the financial mechanism or part of the financial mechanism of the instrument.

Convening as the Council for the Least Developed Countries Fund/Special Climate Change Fund (LDCF/SCCF), the Council endorsed the first LDCF/SCCF Work Program for GEF-8. The Work Program comprises two projects requesting a total of USD

10.63 million from the two Funds, with one addressing urgent and immediate climate change adaptation priorities in one LDC – Cambodia - and the other supporting an innovative global initiative that will support resilience in the 58 countries included in the ‘[Vulnerable 20 Group](#).’

Highlights of the meetings included the establishment of the Gustavo Fonseca Youth Conservation Leadership Program in honor of the late Gustavo Fonseca, GEF’s long-standing Director of Programs, who passed away in August 2022. The new Program would include four elements: graduate and post-graduate fellowships; youth grants for biodiversity field action; awards for youth participation at international conservation events; and a biennial global conservation symposium for youth.

Another highlight was the newly launched [Inclusive GEF Assembly Challenge Program](#), which aims to recognize and support the role played by community-based or civil society organizations in delivering inclusive benefits for people and ecosystems. The winning projects, selected for systematically involving CSOs, Indigenous Peoples, youth, and women and girls, both as stakeholders and as solution providers/ implementers, will be announced during the upcoming GEF Assembly and awarded up to USD 100,000 each for project implementation.

The 63rd Meeting of the GEF Council and 33rd Meeting of the LDCF/SCCF Council took place from 28 November to 2 December 2022, in a virtual format, with over 200 participants attending the meetings.

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### A Brief History of the GEF

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

The GEF's organizational structure includes:

- an Assembly that meets every four years;
- a Council that meets twice a year;
- a Secretariat;
- the Science and Technology Advisory Panel (STAP); and
- the Independent Evaluation Office (IEO), which was created in 2003.

The organization's main decision-making body is the GEF Council, which includes both donor and recipient countries and is responsible for developing, adopting, and evaluating the GEF's operational policies and programs. Meeting twice a year, it is composed of 32 appointed Council Members, each representing a constituency, that is, a group of either donor or recipient countries.

The GEF Assembly has convened six times: 1-3 April 1998 in New Delhi, India; 16-18 October 2002 in Beijing, China; 29-30 August 2006 in Cape Town, South Africa; 25-26 May 2010 in Punta del Este, Uruguay; 28-29 May 2014 in Cancún, Mexico; and 27-28 June 2018 in Da Nang, Viet Nam.

The GEF is funded by donor countries, 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 USD 2.75 billion (GEF-1), USD 3 billion (GEF-2), USD 3.13 billion (GEF-3), USD 3.13 billion (GEF-4), USD 4.34 billion (GEF-5), USD 4.43 billion (GEF-6), and USD 4.1 billion (GEF-7). In June 2022, the GEF Council endorsed GEF-8, comprising more than USD 5 billion, for the next four-year period of the GEF. GEF-8 is over 30% higher than the funding level of GEF-7.

The GEF administers the LDCF and the SCCF and provides secretariat services to the Adaptation Fund established by the Parties to the Kyoto Protocol to the UN Framework Convention on Climate Change (UNFCCC).

The GEF also serves as a financial mechanism for several multilateral environmental agreements (MEAs), including the:

- Convention on Biological Diversity (CBD);
- UNFCCC;
- UN Convention to Combat Desertification (UNCCD);
- Stockholm Convention on Persistent Organic Pollutants; and
- Minamata Convention on Mercury.

The GEF's work also focuses on sustainable forest management, international waters, and ozone layer depletion.

Funding from the Facility has been channeled to recipient countries through 18 "GEF Agencies": the UN Development Programme (UNDP); UN Environment Programme (UNEP); the World Bank; the Food and Agriculture Organization of the UN (FAO); the UN Industrial Development Organization (UNIDO); the African Development Bank (AfDB); the Asian Development Bank (ADB); the European Bank for

Reconstruction and Development (EBRD); the Inter-American Development Bank (IDB); the International Fund for Agricultural Development (IFAD); World Wildlife Fund – US branch (WWF-US); Conservation International (CI); the International Union for Conservation of Nature (IUCN); the Development Bank of Southern Africa (DBSA); the Brazilian Biodiversity Fund (FUNBIO); the Chinese Foreign Economic Cooperation Office (FECO); the Development Bank of Latin America (CAF); and the West African Development Bank (BOAD).

Summaries of ENB coverage of past GEF Council and Assembly meetings can be found at: <https://enb.iisd.org/negotiations/global-environment-facility-gef>.

### Report of the GEF Council Meeting

On Monday morning, 28 November, GEF CEO and Chairperson Carlos Manuel Rodríguez opened the Meeting. He expressed his sorrow at the loss of Gustavo Fonseca in August 2022, GEF's long-standing Director of Programs. Council Members watched a [tribute video](#) of Fonseca, highlighting some of his contributions to environmental protection, as well as his dedication to his family and friends.

Rodríguez emphasized the need for increased efforts to address environmental challenges, given current and ongoing global economic and social hardship. He reflected on the Sharm El-Sheikh Climate Change Conference, which took place in November 2022, highlighting the role of young leaders and civil society in addressing the climate change challenge. He noted the mismatch between the "slow" discussions in the negotiating rooms, and the climate solutions and commitments presented during side events, and lamented that lack of agreement on a fossil fuel phaseout means possibly moving the world away from the 1.5°C rise in global temperature goal. Rodríguez noted some positive achievements, such as the decision to establish a fund for addressing loss and damage. He said the GEF will continue to support countries to deliver on their nationally determined contributions and climate actions.

On the upcoming Fifteenth Meeting of the CBD Conference of the Parties (COP), the GEF CEO called for an ambitious post-2020 biodiversity framework. He noted the GEF is committed to working with multiple stakeholders during the GEF-8 cycle, to achieve transformative action and halt biodiversity loss. He stressed critical interlinkages between the climate and biodiversity agendas, saying the Paris Agreement's goals cannot be achieved without protecting biodiversity and none of the CBD goals can be achieved if climate change is not properly addressed.

Ambassador Ali'ioaiga Feturi Elisaia, Samoa and GEF Council Elected Co-Chair for 2022, said Fonseca's footprint will remain forever and recognized him as a champion in addressing biodiversity loss, climate change and pollution. He said the GEF plays a key role in implementing issues on the ground that may not be fully addressed at the international negotiations. Feturi suggested the quick endorsement of the GEF-8 replenishment demonstrates confidence in what the GEF can achieve on the ground.



Paola Ridolfi, GEF Secretariat

Many Council Members took the floor to pay homage to Gustavo Fonseca, appreciating his lasting impact on the GEF's work, and expressing their condolences to his family and the environmental community for his loss.

Chair Feturi introduced the provisional agenda (GEF/C.63/01). He said the dates of future Council meetings and the election of the Co-Chair for 2023 will be considered under other business. Council Members agreed to also consider under this agenda item: the GEF gender implementation strategy, the private sector engagement strategy, updating the restructuring of the GEF Secretariat, and the child protection policy.

### ***The GEF Monitoring Report 2022***

On Monday, CEO Rodríguez opened this agenda item. Paola Ridolfi, GEF Secretariat, introduced the [GEF Monitoring Report 2022](#) (GEF/C.63/03), explaining it is structured along the two tiers of the GEF-8 Results Measurement Framework: results of GEF-financed projects and programs (core indicators); and operational performance effectiveness of the GEF Partnership (portfolio efficiency). She outlined key findings of the report, including:

- 85% of projects received their first disbursement within 18 months of CEO approval, an improvement from 47% in the 2020 fiscal year;
- GEF-financed projects and programs achieved tangible results across environmental areas in the 2022 fiscal year, including biodiversity protection, land restoration, climate change mitigation, international waters management, and chemicals and waste reduction;
- new projects made progress with greater speed in the 2022 fiscal year, as fewer projects faced start-up delays than over the previous two years; and
- only half of projects submitted a mid-term review (MTR) within four years of implementation, as disruptions linked to the pandemic continue.

She highlighted the ongoing development of an interactive geo-location platform, based on the location of over 1000+ GEF-financed projects' activities.

Many Members welcomed the report, appreciating, *inter alia*, the focus on results. Several called for clarification on issues relating to co-financing, including the level of private

sector engagement and the challenges in obtaining co-financing. Some Members expressed concern at the low number of MTRs submitted by GEF-financed projects and others supported further diversification of implementing agencies.

Council Members also:

- expressed concern about the drop in co-financing;
- expressed interest in follow-up site visits on the ground;
- requested more information on private sector engagement and gender equality; and
- asked about the reasons behind the drop in the disbursement ratio of the ongoing portfolio.

In addition, the FAO representative welcomed the scorecards included in the Monitoring Report. He said FAO finds them very useful and is employing them in its own monitoring of projects worldwide.

Responding to Council Members' comments and questions, Ridolfi said diversification of implementing agencies continues but cautioned that reducing concentration from a handful of agencies will take time. She said the disbursement ratio of the ongoing portfolio should improve as more GEF-7 resources come into disbursement. On the drop in co-financing, she predicted this will pick up now that the two-year delayed implementation due to the COVID-19 pandemic has ended. Regarding co-financing in the private sector, Ridolfi clarified that this includes both in-kind and grant-based financing, but that in terms of Non-Grant Instruments (NGIs), only actual finance mobilized is included.

CEO Rodríguez expressed satisfaction with the evolution of the Monitoring Report, its focus on core indicators across projects, and the conduct of effective risk assessment. He expressed the Secretariat's commitment to further streamlining and simplifying the process.

**Decision:** In its Decision 29/2022, the Council welcomes the GEF Monitoring Report 2022, its implementation of the GEF-8 Results Measurement Framework, and enhanced assessment of the risk to achieving project outcomes. The Council requests agencies, through engagement with the Secretariat, to lend their support in ensuring a strong uptake of core indicators across projects and conducting effective risk assessments.

### ***Country Engagement Strategy (CES) Implementation Arrangements for GEF-8***

On Monday, Co-Chair Feturi opened this agenda item. Claude Gascon, GEF Secretariat, introduced the "[Country Engagement Strategy Implementation Arrangements for GEF-8](#)" (GEF/C.63/05), noting that the proposed strategy envisions funding of USD 27 million with the following elements:

- upstream technical dialogues;
- national dialogues;
- GEF workshops, including Expanded Constituency Workshops;
- GEF introduction seminars providing training and information to new agency staff, Operational Focal Points (OFPs) and selected stakeholders;
- GEF constituency meetings;
- pre-Council meetings of recipient Council Members;



Claude Gascon, GEF Secretariat

- capacity building for stakeholders, including national executing agencies and CSOs;
- financial support to OFPs; and
- knowledge exchange and learning.

He also highlighted proposals for three additional activities to the CES, financed with previously approved funding for the Country Support Program (CSP):

- a new Gustavo Fonseca Youth Conservation Leadership Program, which would include four elements: graduate and post-graduate fellowships; youth grants for biodiversity field action; awards for youth participation at international conservation events; and a biennial youth global conservation symposium;
- a field visit program for Council Members and Alternatives; and
- support for country delegations and relevant stakeholders to attend the COPs to the conventions for which the GEF serves as the financial mechanism.

Most Council Members supported the CES, as well as the different proposed activities. A Member asked about the measurement of its impact and suggested monitoring and reporting on the use of funds, particularly of the additional activities. Another suggested the development of a theory of change to monitor improvement.

On upstream technical dialogues, the Secretariat provided an overview of the integration of private sector initiatives across the different dialogues and meetings organized.

On national dialogues, the Secretariat described collaborative work with the Green Climate Fund (GCF) in developing a joint investment planning process in some countries. Some Council Members welcomed this initiative, and one asked about the selection process for pilot countries. The CSO Network called for more frequent country dialogues to ensure that CSOs are included in the technical dialogues.

On regional workshops, the Secretariat described a series of meetings taking place up to January 2023 to provide countries with an initial overview of the GEF-8 strategy and support them in starting to identify national priorities for GEF investment.

Many Members supported the proposal to establish the Gustavo Fonseca Youth Conservation Leadership Program. To address Members' concerns, the GEF Secretariat said the focus of the funding would be on supporting youth in developing countries to complete their sustainable development studies. He

added that the fund will also support professional youth in finding employment in the sector. A Member suggested inviting the youth participating in the fellowship to the Council meetings to share their experiences.

On the field visit program for Council Members, Members suggested combining the field visits with other international meetings that would allow for mitigating the environmental footprint as well as the costs involved. Rodríguez clarified that support for field visits is for developing country participants, that 100% of the carbon footprints will be offset and that field visits are intended for small groups of around 10 participants.

On providing support for country delegations and relevant stakeholders to attend convention COPs, many Members stressed the need to ensure that resources are allocated to countries with the fewest resources. Rodríguez said that this support, among other things, is key for promoting the coordination of country-level focal points within the GEF conventions. One Member asked about the selection process, category of stakeholders supported and regional balance consideration, stressing the need to treat all recipient countries equally. She urged communicating the nominees to national focal points.

Members also urged concerted outreach to Indigenous Peoples to participate in the leadership program; and requested annual updates to the Council on the implementation of the CES.

Responding to questions from Council Members, Gascon explained that the additional activities in the CES will be funded from savings stemming from 2.5 years of unspent travel and event costs due to the COVID-19 pandemic. Regarding the future of the additional activities, he said they would be tested through GEF-8 and, based on their track record, negotiators for the GEF-9 replenishment can decide whether to “grandfather them into” the CES going forward. A Council Member suggested that the GEF provide an annual report on the implementation of additional activities. Gascon welcomed the request to report annually on CES implementation and promised the first report at the December 2023 Council meeting.

**Decision:** In its Decision 31/2022, the Council approves the proposal for the Secretariat to execute the CES according to the procedures contained in document GEF/C.63/05, with the following elements, funded by the GEF Trust Fund, with a total of USD 27 million, to be allocated for each activity as follows:

- upstream technical dialogues and national dialogues: USD 2.1 million;
- GEF workshops and GEF introduction seminars: USD 12 million;
- GEF constituency meetings: USD 4 million;
- building execution capacity of stakeholders: USD 1.1 million;
- financial support to GEF OFPs: USD 5.8 million; and
- knowledge exchange and learning: USD 2 million.

The Council also approves the addition of the following activities under the expanded scope of CES and directs the GEF Secretariat to finance such activities from the previously approved funding cycles for CSP, and as such involving no new funding:

- the Gustavo Fonseca Youth Conservation Leadership Program: USD 10 million;
- site visits for Council Members: USD 1.2 million; and

- support for country delegations and relevant stakeholders to attend COPs to the Conventions and related Meetings: USD 2 million.

### **GEF Small Grants Programme 2.0 Implementation Arrangements for GEF-8**

On Monday, CEO Rodríguez opened this agenda item. Ridolfi introduced the [GEF Small Grants Programme 2.0 Implementation Arrangements for GEF-8](#) (GEF/C.63/06/Rev.01), noting it aligns closely with the renewed ambition, size, and objectives for SGP 2.0 endorsed by Council Members, while incorporating findings and lessons learned from the recent SGP evaluation.

She outlined new features including:

- two new initiatives for CSOs, the Microfinance Initiative and the CSO Challenge Program, that will be open to all GEF agencies and focus heavily on youth, women, Indigenous Peoples and local communities;
- elimination of the upgrading country policy to offer universal access to SGP resources for all 144 GEF eligible countries;
- alignment with the overall GEF-8 strategy;
- the selection of two new implementing agencies for the SGP Core;
- allocation of Core resources equally to all countries;
- new cost efficiency and reporting measures, including a ceiling to non-grant activities and improved disbursement reporting; and
- a new fee structure.

Ridolfi noted the first financing tranche for SGP 2.0 will open for the UNDP in 2023, with a call for proposals in early 2023 and selection of two other SGP implementing agencies by the end of 2023. She explained a second Core tranche will be opened to UNDP and the two other agencies yet to be selected later in the GEF 8 cycle.

In their interventions, Council Members generally welcomed the implementing arrangements outlined, particularly the alignment with GEF-8 priorities and modalities and the new role for CSOs. Members also:

- welcomed the incorporation of the recommendations by the IEO;
- asked how the Secretariat intends to ensure that the microfinance program does not overextend recipients beyond their capacity to handle such financing;
- asked why the second tranche will include UNDP, since only UNDP will access the first tranche;
- requested clarification on the proposed fee structure; and
- expressed concern that the 3% cap for monitoring and reporting expenses might be too low.

Responding, Ridolfi said the Secretariat is conscious of the possible capacity issues in microfinance but said the point of both CSO initiatives is to encourage the CSO execution role and enable local capacity building. On fees, she said the new 9% fee: reflects transaction costs inherent to setting up SGP in countries; is consistent with the current fee structure for other GEF programs and project financing; and combines the former 4% agency fee with the 5% fee for execution activities, allowing SGP implementing agencies the flexibility to develop execution arrangements most appropriate to country contexts.



**Ali'ioaiga Feturi Elisaia**, Samoa, Co-Chair of the Council Meeting

Ridolfi said the 3% cap on monitoring and evaluation reflects experience observed in GEF-financed projects and considers the need to monitor numerous small grants. She stressed that SGP oversight is moving from UNDP to the GEF Secretariat, advised by a Steering Committee expanded to include more CSO and OFP representation. Ridolfi agreed that the Secretariat will quantify how the inclusion of women, Indigenous Peoples and youth will be accounted for to contribute to overall results.

Regarding the inclusion of UNDP in the second tranche, she said the objective of the phased approach is not to exclude UNDP but to ensure more options for countries, and better capacity for CSOs and communities. Ridolfi clarified that the Secretariat cannot start from a position of excluding one agency from the call for expressions of interest that will be published in 2023, but that the Secretariat is instead adding two new agencies to provide greater choice. Rodríguez added that the phased approach will help prevent disruptions to ongoing service delivery.

Regarding whether CSOs can apply directly, Ridolfi underlined that as with all GEF projects, money flows to agencies, and there is no direct financing to CSOs as executing agencies, but that CSOs can partner with Implementing Agencies as executing entities. She also clarified that the CSO initiatives are separate from, and additional to, the core funding, and that it is the core funding that is complemented by resources from the System for Transparent Allocation of Resources (STAR).

**Decision:** In its Decision 32/2022, the Council:

- endorses the proposed arrangements;
- approves the approach and timeline to start the selection process in 2023 of up to two new Agencies from the existing cohort of accredited GEF Agencies to serve, in addition to UNDP, as Core SGP Implementing Agencies, and that a portion of SGP Core resources is opened to these agencies to begin implementation during the GEF8 period; and
- approves an amendment to paragraph 3.c of the Agency Fee Policy (FI/PL/03) to specify that fees for the SGP are set at 9.0% of the grant.

### **Work Program for GEF-8**

On Tuesday, 29 November, Co-Chair Rodríguez opened this agenda item. Claude Gascon, GEF Secretariat, presented on "[The GEF-8 Work Program](#)" (GEF/C.63/04), noting that the proposed work program comprises eight projects and programs for an



**Pradeep Kurukulasuriya, UNDP**

amount of USD 64.7 million, representing 1.3% of the total GEF-8 funds. He said its modest size is due to countries initiating their internal planning process for GEF-8 investments. Gascon noted the initiated roll-out of meetings to familiarize countries with the GEF-8 strategy, including the new Integrated Programs (IPs). Expecting that upcoming work programs in June and December 2023 will be larger in size, he highlighted that the proposed work program allocates:

- among others, 46% of funds to the biodiversity focal area and 32.1% to chemicals and waste;
- 41.8% of funds to African countries; and
- covers 37 recipient countries, including nine LDCs and 12 SIDS.

Most Council Members supported the work program, as well as the different proposed activities. A Member asked how the GEF is approaching risk management in countries in conflict, such as Yemen. The GEF Secretariat described collaborative work with UNDP to manage and address risks related to conflict, including allowing the agency to do more due-diligence work after approval. Rodríguez highlighted the high involvement of the Government of Yemen in the project planning process.

A Member called for a more balanced allocation of resources across regions, focal areas and Implementing Agencies. Gascon noted that the proposed work program should not be considered as significantly representative of the GEF-8 due to its small size. He added it is expected that more projects and programs from a variety of regions and covering the core areas in a more balanced way will be adopted in 2023. CEO Rodríguez further highlighted that participating countries themselves select the Implementing Agencies and the GEF's role is to support their selection.

On a project to accelerate compliance with the Minamata Convention in Latin America, a Member noted the lack of social risk assessment in the ambit of small-scale gold mining. Another Member suggested further consideration of means for disposal and storage of mercury, to which the Secretariat responded that: some of the relevant countries already have disposal and storage facilities; the project will ensure that all countries involved have access to such facilities; and the project includes training on disposal.

A Member requested that the written records reflect that in light of its policies related to development projects, his country opposes a Council decision that supports two GEF projects in Zimbabwe.

**Decision:** In its Decision 30/2022, the Council approves the Work Program comprising eight projects, subject to comments made during the Council meeting and additional comments that may be submitted in writing to the Secretariat by 6 January 2023.

Total resources approved in this Work Program amounts to USD 64.7 million, which include GEF project financing and Agency fees. The Work Program consists of the following Project Identification Forms (PIFs), Program Framework Documents, and Non-expedited Enabling Activity:

- Yemen: Managing Biodiversity and Environmental Risks Associated with the Safer Salvage Operation in the Red Sea;
- Regional (Bolivia, Colombia, Ecuador, Honduras, Mexico, Peru): Accelerate Minamata Convention compliance through improved understanding and control of mercury trade in Latin America;
- Zimbabwe: Global Opportunities for Long-term Development of the Artisanal and Small-scale Gold Mining Sector in Zimbabwe- GEF planetGOLD Zimbabwe;
- Regional (Kenya, Nigeria, South Africa, Uganda, Zimbabwe): Circular and Persistent Organic Pollutant-free Plastics in Africa;
- Regional (Djibouti, Egypt, Jordan, Somalia, Sudan, Yemen): An Inclusive Approach for Harnessing Marine Ecosystem Services and Transforming to Sustainable Blue Economy in the Red Sea and Gulf of Aden;
- Armenia: Armenia Integrated Resilient Landscape Improvement Project (AIR LIP);
- Brazil: Conservation of the Atlantic Forest through the sustainable management of cocoa agroforestry landscapes; and
- Algeria, Armenia, Bahrain, Cabo Verde, Cameroon, Comoros, Dominican Republic, Haiti, Honduras, Jordan, Lao PDR, Maldives, Morocco, Palau, Panama, Samoa, Sao Tome and Principe, Serbia, Solomon Islands, Sudan, Suriname, Timor Leste, Uruguay, Vanuatu, Venezuela, and Zimbabwe: Umbrella Programme to Support Development of Biodiversity Finance Plans.

In light of the recent audit report by the UNDP Office of Audit and Investigations (OAI) of UNDP GEF Management, all projects included in the Work Program implemented by UNDP shall be circulated by email for Council review at least four weeks prior to CEO endorsement/approval. This shall take place as actions of the Management Action Plan that address the OAI recommendations are being implemented, and as the independent, risk-based third-party review of compliance by UNDP with the GEF Policy on Minimum Fiduciary Standards is being completed. Project reviews will take into consideration the relevant findings of the external audit and the UNDP management responses and note them in the endorsement review sheet that will be made available to the Council during the four-week review period.

### ***Report on Lead Agency Selection Process for the Integrated Programs***

On Tuesday, Co-Chair Feturi introduced this agenda item. Mohamed Bakarr, GEF Secretariat, introduced the "[Report on Lead Agency Selection Process for the Integrated Programs](#)" (GEF/C.63/07), covering the selection of leads and co-leads for the 11 IPs envisioned for GEF-8 to tackle drivers of environmental degradation and advance systems transformation

through an integrated approach. Bakarr emphasized that the process was open to all 18 GEF Agencies, and that all Council recommendations were taken into account. He detailed the process, from proposals to evaluation and final selection. Bakarr noted no proposals were received by the initial deadline for the Healthy and Clean Ocean IP but reported several Agencies are interested and need more time to develop proposals.

Bakarr reported the final selection of the following leads and co-leads for the 10 IPs:

- Net-Zero Nature-Positive: UNEP-ADB-CAF;
- Greening Transportation Infrastructure Development: WWF;
- Elimination of Hazardous Chemicals from Supply Chains: UNEP;
- Blue and Green Islands: UNDP;
- Ecosystem Restoration: CI;
- Wildlife Conservation for Development: World Bank;
- Circular Solutions to Plastic Pollution: UNEP-WWF;
- Food Systems: FAO-IFAD;
- Sustainable Cities: World Bank;
- Amazon, Congo, and Critical Forest Biomes:
  - Amazon Basin: World Bank;
  - Congo Basin: UNEP;
  - Meso-America: IUCN;
  - West Africa: CI;
  - Indo-Malay: IUCN-FAO.

Council members welcomed the transparency of the process and the report. They also:

- inquired why UNEP is the lead or co-lead in four IPs, but UNDP in only one;
- asked why WWF was chosen to lead the Greening Transportation Infrastructure Development IP instead of one of the development banks;
- requested clarification of how the IP management capacity of candidate agencies was assessed;
- asked about the plans for getting a lead on the Clean and Healthy Ocean IP, whether its lack of a lead will impact programming and if so, what steps did the Secretariat propose to mitigate those impacts;
- suggested a “super lead” agency might be needed to ensure overall coherence across the five regional components of the Forest Biomes IP;
- asked why none of the regional banks are leads for the regional components of the Forest Biomes IP, given their regional expertise; and
- expressed concerns that the World Bank accounts for the highest share (27%) of IP resources and, with some other members, supported further agency diversity in IP implementation.

Responding to comments, Bakarr said the delay in selecting a lead for the Oceans IP will not have a consequence in terms of the overall rollout of programs, since not all IPs were intended to start at once. Regarding UNEP’s role as lead or co-lead in four IPs, he said UNEP made the strongest proposals for each IP. On WWF’s role as lead on greening transportation, Bakarr noted



Mohamed Bakarr, GEF Secretariat

that WWF has decades of experience working on the issue and is teaming up with four regional banks, with others also expressing strong interest.

Regarding the Forest Biomes IP, Bakarr said a “super lead” is not necessary and would only add another layer of complexity, and that the Secretariat will work with all Agencies involved to ensure their platforms are interoperable.

Several Council Members requested that the GEF Secretariat share information from the Agencies’ proposals on their co-leading arrangements, roles, responsibilities, accountability and ways to ensure coherence across the entire program. CEO Rodríguez explained that the Agencies’ proposals were submitted on the understanding that they would not be publicized as per the related June 2022 Council decision. He explained that according to the GEF’s experience with diverse selection processes, there are confidentiality issues that must be respected. After bilateral consultations, the Secretariat reported that a document summarizing the concepts for each IP and the role of co-leading Agencies will be shared in early January 2023 along with the launch of a call for expressions of interest from countries to participate in the IPs.

**Decision:** In its Decision 33/2022, the Council notes the technical and analytical steps taken by the GEF Secretariat and endorses the Agencies selected to lead the IPs.

### ***Third Party Review of Agency Compliance with GEF Minimum Standards***

Co-Chair Feturi introduced this agenda item on Tuesday. Jonathan Caldicott, GEF Secretariat, presented the Third Party Review of Agency Compliance with GEF Minimum Standards ([GEF/C.63/09/Rev.01](#)). He highlighted that the Review determined all 18 GEF Agencies to be in overall compliance, with a few minor exceptions. Caldicott explained the proposed remedies for partial compliance are captured in GEF policies and require developing action plans to address partial compliance. He added that three Agencies are still in the process of self-assessment and review, with expected completion within the next few weeks.

Regarding the UNDP second self-assessment and third-party review, Caldicott reported that these had found UNDP in full compliance with GEF policies. Caldicott noted the Secretariat had suggested that the additional measures previously applied to

UNDP could be discontinued, but Council Members preferred to retain these additional measures at least until the next review.

Lauri Tuomaala, KPMG, as the Independent Reviewer, summarized the Review, including its status, findings and general observations. He reported that Agencies had some difficulties compiling the materials due to the large number of units involved in the implementation of the 78 minimum fiduciary standards reviewed, but that overall there is a high level of implementation capacity for these standards. He also reported that three Agencies are partially compliant and actions are recommended, and three reviews are ongoing due to late or incomplete submission of materials.

Regarding the UNDP review, Tuomaala highlighted that KPMG built on the previous review in 2021, with a risk-based review of UNDP's revised minimum fiduciary standards self-assessment and a review of actions taken to address the specific gaps. He reported that KPMG concurs with UNDP's revised self-assessment rating and concludes that UNDP is compliant on implementation capacity.

Addressing the Council, UNDP said the review's focus on application and implementation capacity was appreciated and emphasized that his organization provided evidence from the field and from the corporate level to the review. He reported that UNDP is taking all the required actions previously required by the Council, noting also that several of UNDP's donors have released resources to the organization, without any conditionalities.

Several Council Members supported retaining the additional reporting requirements for UNDP until December 2023, and called for an additional self-assessment in mid-2023. One Council Member noted that UNDP's assessment is a "self-assessment" and not an external audit, and highlighted several ongoing grievance cases against the organization.

One Member noted that most cases of partial compliance relate to the minimum fiduciary standards and urged the Secretariat to continue to monitor the situation.

Responding to a question about why some Agencies have not completed the review, the Secretariat explained that some have had to introduce new policies which are undergoing their internal approval processes.

**Decision:** In its Decision 35/2022, the Council:

- notes with appreciation the collaboration of GEF Agencies in the self-assessment and review process;



Lauri Tuomaala, KPMG

- requests the GEF Agencies found not to be fully compliant in all components to prepare time-bound Action Plans to address any gaps identified by the Review, to submit these to the Secretariat no later than January 31, 2023, for circulation to Council;
- notes the findings of the additional self-assessment and review of UNDP showing UNDP in full compliance;
- decides that the measures related to UNDP described in Decision 26/2021 should continue, to be reviewed after Council has considered the additional UNDP self-assessment and review planned for 2023; and
- requests AfDB, BOAD and DBSA to provide the additional information required to complete the review of outstanding components as soon as possible, but no later than 31 December 2022.

### ***GEF Blended Finance Global Program and NGI Policy Update***

On Wednesday, 30 November, Avril Benchimol, GEF Secretariat, introduced the GEF Blended Finance Programme and the Policy Update for Non-Grant Instruments (NGIs) ([GEF/C.63/12](#)). She said the NGI Policy was last updated in 2014, and that it plays a key role in mobilizing private sector investments into GEF's strategies.

Benchimol explained that the initial focus in the 1990s and 2000s was on mobilizing private sector investment for renewable energy and energy efficiency projects. She reported high ratios of co-financing since GEF-5. Moreover, she highlighted a significant share of private sector investment in GEF-6 and GEF-7 in "frontier areas" and nature-based solutions, such as biodiversity, land degradation, frontier waters and climate change, which is a positive outcome considering that these are more challenging to attract private sector investment.

Among the innovations in the policy, she said a small window of funding is integrated to fund technical assistance for projects in frontier areas and assist SIDS and LDCs that usually require a grant component for project design. Among new financial instruments added, she mentioned some aimed at de-risking private investments in SIDS and LDCs.

Many Council Members welcomed the document and supported the policy update. A Member asked how the gender perspective, diversity component and local solutions are integrated in engaging the private sector. Benchimol explained that GEF NGIs must follow the institution's gender policies and guidelines. She added that GEF is increasingly trying to include private sector beneficiaries, but there is still space to further integrate technological companies such as start-ups and incubators.

A Member suggested that, as an innovator, GEF should have its appropriate risk strategy. Claude Gascon, GEF Secretariat, reported on ongoing work by the Secretariat in consultation with the STAP to produce a paper on GEF-8 Programming Risk Framework, as requested by the Council for its consideration at its 64th meeting. He said the document encompasses different risk levels for a variety of GEF investments, including NGIs.

Members also underlined the links to ongoing discussions on risk and urged increased communications with OFPs. Benchimol clarified that additional guidelines will be provided before the end of 2023 on communications, so that OFPs are provided with timely information ahead of Council meetings about upcoming projects and their role in implementation. On coordination of the NGI and the accelerator, she said the NGI can be a tool of the accelerator to catalyze private sector investment, noting the accelerator is still being developed.

On the success factors on co-financing, Benchimol underlined the role of the GEF in taking first risk and first losses in all financing provided under NGIs, noting this often positively affects the private sector's willingness to invest. She emphasized the role of innovation through the NGI Policy and the Private Sector Engagement Strategy, in catalyzing finance for biodiversity at scale.

**Decision:** In its Decision 38/2022, the Council approves the proposed GEF-8 Blended Finance Global Program and Policy Update. The Council also requests the Secretariat to work with the GEF Trustee to provide an annual report on blended-finance expected reflows to be submitted at the second Council meeting of each year.

### **Report of the Chairperson of the STAP**

On Wednesday, Rosina Bierbaum, Chair, STAP, presented the [Report of the Chair of the STAP](#) (GEF/STAP/C.63/Inf.01). She reviewed reports that STAP will submit to the next GEF Assembly, noting seven recommendations to the Assembly, including to:

- develop a clear risk framework;
- create an explicit and more systematic strategy for innovation;
- establish a GEF-wide strategy and implementation plan to address policy coherence across all operational levels;
- identify co-benefits of GEF investments that need to be tracked and a system to report on them;
- establish a knowledge management and learning system;
- include youth and other marginalized groups, such as Indigenous Peoples, in the design and implementation of projects; and
- prioritize the GEF's engagement in external partnerships that can have a catalytic effect in transforming global economic systems.

Bierbaum noted key points from a brief prepared by STAP on how to develop a risk appetite framework for the GEF, based on a study of lessons learned from a look at seven GEF agencies, the US Agency for International Development, and the GCF. These lessons include:

- the need for consistent leadership;
- the need for an effective development process that includes structured deliberation, with extensive consultation, followed by a planned rollout and capacity support to embed the framework in practice; and
- consideration of five strategic questions listed in the report.

She discussed STAP's work to help streamline the project cycle, noting a new, simpler PIF template, a new set of STAP screening guidelines, and a new STAP screening template.

Bierbaum reviewed what STAP will be paying particular attention to in Program Framework Documents for the GEF-8 IPs, highlighting:

- systems thinking;
- a theory of change;
- knowledge management and learning;
- policy coherence;
- innovation; and
- transformational change.

She discussed STAP's review of 34 medium-sized projects and innovation. She said the review found that medium-sized projects are a particularly fertile modality for innovation, and they can lay the groundwork for subsequent large GEF investments.

Bierbaum concluded by reviewing STAP plans for future work, including:

- development of a risk appetite framework for consideration at the June 2023 Council;
- development of knowledge management platforms for the IPs;
- work on operationalizing a policy coherence strategy within the GEF;
- preparation of guidance on creating simple future narratives to design resilient and durable projects;
- work with the Secretariat on hosting a workshop on metrics for transformational change;
- an update of STAP's 2018 paper on environmental security;
- a report on how land degradation neutrality is being addressed in GEF projects;
- producing training materials on how to develop a theory of change in project design; and
- a review of lessons learned from screening NGI projects.

Many Council Members welcomed the presentation and report. One Member asked whether climate change-related initiatives emerging from the Sharm El-Sheikh Climate Change Conference that took place in November 2022 could be further integrated in the GEF global program. Bierbaum said the STAP has been a long-standing promoter of linkages between climate change and nature-based solutions, and that all projects now require screening for climate risks.

Another Member called for a greater role for youth, women and Indigenous Peoples in environmental policymaking at



Rosina Bierbaum, STAP Chair

national and international levels and suggested the gender policy as an adequate channel for this purpose. Bierbaum described ongoing activities to engage youth in the GEF work, including in organizing meetings. She expressed openness to integrate more work in STAP on the scientific impact of some of these actors, such as Indigenous Peoples in managing protected areas. Some Members proposed hosting workshops or webinars on future STAP reports and suggestions, which Bierbaum said will be considered, particularly noting the current shift from in-person meetings to virtual ones.

### **Review of the GEF Management Action Record**

On Wednesday, Co-Chair Feturi introduced this agenda item. Juha Uitto, Director, IEO, presented the IEO's [Review of the GEF Management Action Record](#) (GEF/E/C.63/01). He explained the aim was to: understand the principal themes for recommendations in IEO evaluations and the factors that affect the level of adoption and follow-up of IEO evaluation recommendations; and provide early feedback on management responses to the IEO's evaluations since the transition to a revised Management Action Record (MAR) process in 2021.

Uitto reported that the management response rate to evaluation recommendations has significantly improved since the MAR process reform, and that GEF management agreement with IEO recommendations has been increasing over time. He noted that about two-thirds of management responses include specific actions with timelines, and that recommendations that were not accompanied by a management response were not likely to achieve full adoption. Uitto added that the recommendations that were not fully adopted were often those that had financial implications or practical constraints.

Uitto highlighted two recommendations from the Review:

- GEF management should ensure that the action plan included in its management response lists specific actions with timelines, where appropriate; and
- the GEF should improve the MAR process and reporting through a more participatory approach involving GEF Agencies, where relevant, and develop a suitable platform for tracking the implementation of action plans.

Presenting the management response to the Review, Sonja Teelucksingh, GEF Secretariat, said the Secretariat agrees with both recommendations. She reported that, applicable immediately, the Secretariat will clearly state the level of agreement with each recommendation of IEO Evaluations as follows: "The GEF Secretariat agrees / partially agrees / rejects this recommendation." On the second recommendation, Teelucksingh said where recommendations are clearly directed towards GEF Agencies in particular, the Secretariat will explore ways to consult with the Agencies to incorporate their input in the preparation of the relevant management response, action plans and timelines.

One Council Member noted that for the Secretariat to be able to achieve the first recommendation regarding stating their level of agreement with IEO recommendations, the Secretariat would need to have received the IEO Evaluation sufficiently in advance of Council meetings to consider and decide on their response.



William Ehlers, GEF Council Secretary

Members suggested four weeks would be sufficient time for this and requested the Secretariat to prepare a decision on this.

On Thursday, Co-Chair Feturi read the additional draft decision. While committing the IEO to do everything it can to meet the deadlines proposed in the draft decision, Director Uitto proposed changing the wording regarding evaluations from "finalized" to "complete." After a brief discussion of what this change might mean in practice for both the Secretariat and the IEO, Members agreed to adopt the draft decision as orally amended.

**Decisions:** In its Decision 39/2022, the Council, having considered the IEO review and management response, takes note of the related evaluation recommendations and endorses the management response to address them.

In its Decision 40/2022, the Council requests the IEO to provide the GEF Secretariat with complete evaluations at least four weeks prior to the Council's document-posting deadline, and therefore at least eight weeks prior to the Council meeting, in order to facilitate the timely preparation of management responses.

### **Evaluation of the Effects of the COVID-19 Pandemic on GEF Activities**

On Wednesday, Geeta Batra, Deputy Director, IEO, presented "[Evaluation of the Effects of the COVID-19 Pandemic on GEF Activities](#)" (GEF/E/C.63/02), which she explained includes an analysis of how the pandemic affected GEF project preparation, design, implementation and results, plus a "deep dive" look at impacts on 44 GEF-supported PAs in 10 countries. She reported the findings on the pandemic and GEF's response to it include:

- few projects endorsed after the pandemic's onset incorporate features associated with risk mitigation, adaptive management, climate risk screening and scenario-based planning;
- 44% of activities were paused or put on hold, and in 19% of projects at least one or more activities were dropped;
- the pandemic posed some difficulties for terminal evaluations and MTRs;
- the crisis stimulated the use of new technologies, such as remote sensing, leading to better forestry data and a shift to online platforms;
- in one fifth of the projects, the pandemic became an opportunity to add elements on food security, safety, and sanitation to environmental interventions;

- the pandemic led to challenges in PA projects' stakeholder engagement, needs assessments, capacity building, and community participation in environmental monitoring; and
- the pandemic did not result in more fires or higher deforestation rates than expected in the PAs.

She said the IEO offered three recommendations resulting from its findings:

- the Secretariat should provide guidance and assist GEF Agencies in incorporating important features associated with systems thinking, resilience, and adaptive management in all project proposals;
- agencies should ensure GEF projects include a broad suite of livelihood options and support diverse income-generating activities; and
- Agencies should strengthen remote supervision by using a variety of appropriate tools and methods, such as remote sensing, satellite data, and GIS-based technology, for timely responses and adaptive management.

Responding for the Secretariat, Gascon said the Secretariat agrees with all three recommendations and is already starting to implement them.

The Indigenous Peoples Advisory Panel welcomed the evaluation but asked if the IEO plans to look at the differentiated impacts of the pandemic on women, youth and Indigenous Peoples. Batra responded that the IEO intends to discuss such impacts as part of its study next year on the socioeconomic impacts of the pandemic.

**Decision:** In its Decision 41/2022, the Council takes note of the related evaluation recommendations and endorses the management response to address them.

### ***Promoting Integration of Environmental Impact into Evaluations in the UN System***

On Wednesday, Uitto introduced "[Promoting Integration of Environmental Impact into Evaluations in the UN System](#)" (GEF/E/C.63/Inf.01). He explained that the GEF IEF has assumed a leadership role in the work of the United Nations Evaluation Group (UNEG), an interagency professional network integrating environmental considerations into all evaluations by UNEG's 53 members. He said a Working Group, comprising evaluation staff from 15 UN agencies and offices, was established and reviewed social and environmental assessments across UN agencies.

Uitto reported that although almost 60% of agencies reported having environmental or social safeguard policies, 68% of responding evaluation offices feel that social considerations have not been well addressed, and 84% feel this is the case for



Juha Uitto, Director, IEO

environmental aspects. He concluded that the survey shows UN evaluation units need additional guidance on assessments, particularly on environmental assessments, and said guidelines are being developed.

### ***Amendments to the Instrument for the Establishment of the Restructured GEF***

On Wednesday, William Ehlers, Council Secretary, presented "[Amendments to the Instrument for the Establishment of the Restructured GEF](#)" (GEF/C.63/11) that were prepared by the Council's *Ad Hoc* Working Group on Governance. He reported on the proposed amendments and additional adjustments by the Secretariat, its legal advisor, the Trustee and the GEF coordinators of the Implementing Agencies.

Ehlers explained that the document refers to GEF implementing agencies and GEF accredited agencies. He said the former, defined in the Instrument as having institutional responsibility for the GEF, are UNEP, the World Bank and UNDP. He said that, nonetheless, from an operational perspective, all 18 agencies have equal standing.

Council Members welcomed the proposals. One queried how to ensure consistency with existing policies and documents, including in the implementing agencies. Ehlers explained the process, noting that once approved by the GEF Assembly, the Implementing Agencies must ratify the decision for it to come into force.

A Council Member asked how to make the process for updating the Instrument more dynamic. Ehlers explained it is possible to introduce amendments to the Instrument at each GEF Assembly, which takes place every four years. Another Member asked, if the plastics agreement now under negotiation establishes the GEF as its financial mechanism, how this could be reflected in the Instrument in time. Ehlers clarified that in the past the GEF started acting as the Minamata Convention's *de facto* financial mechanism before the GEF Instrument was amended at the subsequent Assembly session.

**Decision:** In its Decision 37/2022, the Council decides to recommend to the Assembly the updated text of the Instrument as contained in Annex II to the Decision.

### ***Note on the Organization of the Seventh GEF Assembly***

On Wednesday, Tom Bui, Council Member, Canada, provided an update about arrangements for the next GEF Assembly taking place in Vancouver, Canada, in the second half of 2023, noting the venue and exact dates are expected to be finalized within the next few weeks. He explained that following consultations with Council Members, the date is likely to be sometime in late August 2023.

Rodríguez added that given the likely date of the Assembly, the next GEF Council meeting will need to be decoupled from the Assembly, explaining that it will not be feasible to move the 64th meeting of the Council from June to August 2023. He said the Secretariat is exploring the possibility of holding the 64<sup>th</sup> Council meeting in a recipient country. This was supported by one Council Member who said combining the Council meeting with field visits would be welcome.

### ***Update on Branding***

On Wednesday, Robert Bissett, GEF Secretariat, updated the Council on progress in redesigning the GEF logo, noting

it had been a consultative process, with feedback from staff and partners. He reported that the new logo is more modern, web-friendly and has a simplified design. Bissett said the logo is expected to be rolled out in 2023 in the run-up to the GEF Assembly.

### Other Business

**Gender:** On Thursday, 1 December, Paola Ridolfi, GEF Secretariat, introduced the “[Progress Report on the Implementation of the GEF Gender Implementation Strategy](#)” (GEF/C.63/Inf.07), with 100% of projects at CEO endorsement/approval stage containing a detailed gender analysis and plans for a gender-responsive results framework; a rigorous review of Agency compliance with GEF policy; and support for activities to operationalize the policy.

Verona Collantes, GEF Secretariat, outlined the Secretariat’s plans for the way forward, including:

- a gap analysis of relevant GEF policies and guidelines, to be presented to the Council at its June 2023 meeting;
- ensuring gender entry points in the IPs;
- reconvening the GEF Gender Partnership;
- developing and disseminating knowledge and best practices;
- more active engagement with GEF project implementers and women participants and beneficiaries; and
- support for the gender-related work of the conventions served by the GEF.

Council Members praised the progress made on this issue, and offered suggestions, such as:

- providing more disaggregated data;
- considering embedding gender in a broader policy on social inclusion and a human rights-based framework, that also includes the LGBT+ community and people with disabilities;
- considering the creation of an informal working group on gender; and
- making gender a regular Council.

The CSO Network suggested that all GEF-8 projects ensure that women and girls have specific roles and responsibilities and are economically empowered. Responding to a Member’s question about the Gender Partnership, Collantes said that it will be convened on the sidelines of the CBD COP15, with proposed updated terms of reference and a two-year work program containing specific activities, timelines and deliverables.



Tom Bui, Council Member, Canada

**Private Sector Implementation Plan:** Matthew Reddy, GEF Secretariat, introduced the [GEF Private Sector Engagement Strategy Annual Report 2022](#) (GEF/C.63/Inf.08) and the [Private Sector Engagement Implementation Plan](#) (GEF/C.63/Inf.16). He said the report covers 254 projects and identifies:

- engagement of 1,410 private sector entities;
  - a large component of private sector co-financing of USD 1.2 billion;
  - 36 multi-stakeholder platforms engaged in the projects, and;
  - a large number of women’s private sector networks, cooperatives and associations engaged in GEF projects.
- On challenges identified, he mentioned limited engagement of:
- technology companies;
  - the insurance sector, particularly in climate change adaptation; and
  - retailers capable of promoting sustainable purchases.

He reported challenges in accessing data for informing on private sector engagement and said the Secretariat will review documentation for more consistent and accurate reporting during GEF-8. On the bi-annual Implementation Plan, he noted the objective is working with multi-stakeholder platforms to achieve larger-scale outcomes rather than through bilateral relationships.

Many Council Members welcomed the increased engagement of the private sector. A Member suggested the other reports integrate key concepts involved, such as private sector financing, co-financing, and how this contributes to project budgets.

The CSO Network asked who participates in the multi-stakeholder platforms. Reddy explained that CSOs are well-represented and are often the conveyors of such platforms. The CSO Network requested inclusion of detailed information on gender-equal private sector engagement, including who they are, level of capacities, income and vulnerability to measure GEF contributions in gender equality. Some Members also requested information in the final report on women in private sector engagement.

Another Member provided suggestions of indicators to enhance the metrics of the report presented, including number of investments with gender-effective impact. Reddy said the Secretariat will continue to review documents, and include indicators suggested, considering the limited information available.

Addressing concerns by some Members, Reddy described ongoing efforts by the Secretariat to further engage, *inter alia*, insurance companies and retailers.

**Child Protection Policy:** Ridolfi reported that through the Environmental and Social Safeguards, the GEF has a comprehensive framework to prevent child labor, harassment, intimidation and exploitation. Recalling Council Members’ request to further consider the issue of child protection, she noted the GEF’s interest in understanding how GEF Agencies are addressing the issue. Ridolfi suggested that the Secretariat can include work on child protection in the safeguards gap analysis mandated by the Council.

Welcoming the update, one Member noted potential gaps in existing protection policies and welcomed the Secretariat’s suggestion.



Elizabeth Mrema, CBD Executive Secretary

**Update on the Reorganization of the Secretariat:** CEO Rodríguez updated the Council on ongoing reorganization efforts within the Secretariat. He said the sad loss of Gustavo Fonseca and the retirement of Françoise Clottes, the former Director of Strategy and Operations, have resulted in the Secretariat losing two of its directors, thus obligating a review of the Secretariat's operational structure and processes. He reported that at the moment, he does not intend to fill the position of Director of Programs previously occupied by Fonseca, pending the completion of this review. Rodríguez said he will inform the next GEF Assembly on the outcome of the review.

Rodríguez also updated the Council of ongoing discussions with the World Bank over: the Bank's request that the Secretariat move its offices to the World Bank's main building; and the Bank's redefinition of the costs for the direct and indirect services that it provides to the GEF, which will increase the GEF's payment to the Bank from USD 2.1 million to USD 7 million per year.

Council Members urged that steps be taken to minimize friction within the Secretariat during the review, and that its outcome ensure diversity and inclusiveness.

### ***Relations with Conventions and Other International Institutions***

On Thursday, CEO Rodríguez opened this agenda item by stressing how important it is for the Council to hear about the conventions' priorities and perspectives. He noted he had attended five COPs in 2022, and will attend the upcoming CBD COP, saying that he pays particular attention to how the various conventions work with non-state actors. Rodríguez praised what he saw civil society doing in the UNCCD context, suggesting it can provide a model of what GEF can do with CSOs.

Elizabeth Mrema, Executive Secretary, CBD, reported on efforts to finish negotiations on the post-2020 global biodiversity framework (GBF) for its adoption at the upcoming COP, stressing that the GBF needs to be ambitious, realistic, actionable and achievable. She expressed appreciation for the early-action grants already helping countries prepare for GBF implementation. Mrema highlighted three expected, inter-related COP 15 decisions relevant to GEF:

- adoption of the GBF and its review and monitoring framework;

- resource mobilization, including the possibility of an additional fund or funds; and
- access and benefit sharing in relation to digital sequence information on genetic resources.

She also noted the upcoming sixth CBD review of the effectiveness of its financial mechanism and a funding needs assessment to prepare for the GEF-9 replenishment.

Rolph Payet, Executive Secretary, BRS Conventions, highlighted the importance of the upcoming Stockholm Convention deadline on polychlorinated biphenyls (PCBs) phaseout, and said he looked forward to discussing how to leverage GEF-8 to meet the deadline. He expressed hope that the GEF, bilateral donors and the private sector can come together to push more countries to meet this commitment and pave the way for a PCB-free world. Payet noted two GEF-8 IPs on the BRS radar: Circular Solutions to Plastic Pollution, and Elimination of Hazardous Chemicals from Supply Chains. He stressed the importance of both for the current negotiations for a plastics treaty, noting that 15 pollutant chemicals listed under the Stockholm Convention can be found in plastics.

Monika Stankiewicz, Executive Secretary, Minamata Convention, expressed her Secretariat's interest in working with GEF on knowledge management. Stankiewicz noted the next COP will undertake the second review of the Convention's financial mechanism, "an important milestone in further shaping our relations with GEF." She noted the need for further support from GEF on artisanal and small-scale gold mining and expressed interest in working with GEF to identify opportunities to address mercury risks across GEF focal areas.

UNFCCC Deputy Executive Secretary Ovais Sarmad highlighted key outcomes of COP 27, including the adoption of a "groundbreaking decision" to create a fund for loss and damage and the political signals indicating that fossil fuels need to be phased out. He said in negotiating rooms and in key decisions:

- developing countries highlighted the need for predictable, adequate and sustainable sources of finance for implementation;
- countries called for means of implementation including for early warnings for all; and
- countries urged international financing institutions to reform their practices and ensure simplified access to climate finance.

He concluded saying the role of GEF as operating entity under the UNFCCC and the Paris Agreement is "now more crucial than ever."

Andrea Meza, UNCCD Deputy Executive Director, called for radical collaboration to accelerate a system change that transforms the world's currently unsustainable path. She added that investing in land is a win-win solution because: it is key to achieve the 1.5°C rise in temperature goal and halt biodiversity loss; and each dollar invested in restoring land returns benefits between USD 7 and 30. Hoping GEF will follow the flow of increased support to large land restoration projects, she called for joint work in synergies such as in data generation for land use planning, saying it is a game changer.

One Member said his country is co-organizing the upcoming UN Water Conference, which should address the important topic of changing the way we manage and value water. He expected a water action agenda with clear commitments, pledges and



Andrea Meza Murillo, UNCCD Deputy Executive Secretary

actions as main outcome of the meeting. Some Members expressed concern that the CBD COP 15 will discuss whether to create a new financial mechanism, requesting the Secretariat and colleagues to help make visible the key role of GEF as an effective mechanism for the Convention. Another Member supported the creation of a new mechanism under CBD in addition to the GEF saying the biodiversity challenge is well beyond the current capacity.

A Member stressed the importance of coherence between GEF work and the mandates received by the Conventions. Another recalled decision 9 from UNCCD COP 15 inviting the GEF to assess the feasibility of establishing a focal area for drought. Noting the recent adoption of an international alliance for resilience for drought at UNFCCC COP 27, he called upon the Council to: consider the concerns of drought-affected parties; facilitate the visibility and resources channeled to land degradation and drought; and avoid further fragmentation of the global environmental architecture. Another Member supported further coordination of GEF and GCF, asking for an independent analysis that identify areas for further synergies.

Responding for the Secretariat, Chizuru Aoki said the GEF will engage with the issue of drought primarily through the land degradation focal area, but noted there are also other cross-cutting areas. She anticipated additional opportunities for countries to undertake multi-trust fund and comprehensive programs, including on climate change, land degradation and land management. On the Intergovernmental Negotiating Committee on Plastics Pollution, she said the Secretariat is



Emilie Wieben, Council Member, Denmark

attending as an observer and stands ready to provide any requested information.

**Decision:** In its Decision 34/2022, the Council welcomes the report on Relations with the Conventions and Other International Institutions and requests the GEF network to continue to work with recipient countries to reflect the guidance and national priorities in their GEF programming and activities.

***Proposed Framework for GEF's Role in a Financial Mechanism for the Internationally Legally Binding Instrument under Negotiation under the United Nations Convention on the Law of the Sea on the Conservation and Sustainable use of Marine Biological Diversity of Areas Beyond National Jurisdiction (BBNJ)***

On Thursday, Chizuru Aoki, GEF Secretariat, presented the Secretariat's note on the proposed framework ([GEF/C.63/10](#)), noting its inclusion on the GEF Council agenda is because of developments in the BBNJ negotiations, especially the discussion of the BBNJ's financial mechanism. She said GEF work on the BBNJ instrument could fall under the GEF's International Waters Focal Area, highlighting that although not linked to any specific global convention, the GEF has invested: over USD 1.2 billion in the management of shared marine resources; and more than USD 80 million in the management of areas beyond national jurisdiction.

Rena Lee, President, BBNJ IGC, briefed Council on the status of BBNJ negotiations, noting that the fifth session has been suspended and, pending approval of the UN General Assembly, will reconvene at the end of February 2023. She noted the general support of IGC negotiators for the GEF to serve as the financial mechanism or part of the mechanism for the legally binding instrument once concluded. Lee promised to "keep lines of communication open" with the GEF Secretariat to ensure that any language in the final agreement would not pose any difficulties for the GEF to serve it if that is what the IGC decides on financing.

Council Members all expressed strong support for the GEF to serve as a financial mechanism for any instrument on BBNJ, noting it was the logical choice given the GEF's experience and comparative advantage in promoting synergies among focal areas.

In response to Member inquiries, Aoki explained how the GEF would operationalize its role as financial mechanism, if selected. She said once negotiations are completed, the GEF would hopefully receive formal guidance on what the new instrument expects from the GEF and this would be brought before the GEF Council. Aoki explained that typically all that the GEF can do before a new instrument takes effect is support its ratification. She suggested that the length of the ratification process could result in most GEF obligations for the new instrument being pushed into the GEF-9 cycle, in which case the Secretariat would prepare a BBNJ strategy as part of the GEF-9 replenishment negotiations. Aoki offered to provide Council with a proposed roadmap once BBNJ negotiations conclude.

**Decision:** In its Decision 36/2022, the Council takes note of the progress of the IGC to prepare a legally binding instrument under UNCLOS on the conservation and sustainable use of marine BBNJ; and, if requested by the IGC, would welcome the GEF becoming the financial mechanism or part of the financial mechanism of the instrument, within the framework of the GEF.



**Ambassador Conrod Hunte**, Antigua and Barbuda, Chair of AOSIS

## Report of the LDCF/SCCF Council Meeting

### Opening of the Meeting

On Friday, 2 December, Carlos Manuel Rodríguez, GEF CEO and Chairperson, opened the 33rd Meeting of the LDCF/SCCF Council. He recalled the decision by the Sharm El-Sheikh Climate Change Conference to establish a dedicated loss and damage fund, underlining the importance of this fund to LDCs and SIDS. Rodríguez expressed the GEF's readiness to provide any required support as the process for establishing the fund unfolds in 2023.

Rodríguez also expressed appreciation to Denmark, Finland, Germany, Ireland, Slovenia, Sweden, Switzerland, and the Walloon Region of Belgium, for pledging a total of USD 105.6 million to the two Funds, noting this support will help “breathe new life” into the Funds.

Ambassador Conrod Hunte, Chair, Alliance of Small Island States (AOSIS), underlined the importance of the SCCF and LDCF for the vulnerable people living across the 39 SIDS globally, noting the adaptation support provided is “vital for our lives, livelihoods, ecosystems, and the wellbeing of our future generations.” Noting that most SIDS are not LDCs and cannot access the LDCF, he expressed appreciation for the new GEF-8 strategy, under which adaptation support is earmarked for SIDS through a dedicated funding window. Hunte stressed that the pledges made to date are “but a drop in the ocean” of what SIDS need for adaptation and urged more donors to contribute generously to the SCCF and LDCF.

### Adoption of the Agenda

The Council adopted the [proposed agenda](#) (GEF/LDCF.SCCF.33/01) with no comments.

### Work Program for the Least Developed Countries Fund and the Special Climate Change Fund

The Council considered the [Work Program of the LDCF and SCCF](#) (GEF/LDCF.SCCF.33/03). Chizuru Aoki, GEF Secretariat, noted that the two projects contained in the Program take a multi-sectoral and systemic approach, targeting issues including: climate smart agriculture, rural food security, resilient agricultural value chains, and locally-led adaptation through entrepreneurship and community-level solutions. She said the Work Program will

generate results across the adaptation Core Indicators, including 94,000 direct beneficiaries.

All Council Members intervening expressed support for the proposed work program and for the new programming orientation under GEF-8, especially the emphasis on climate adaptation, support for SIDS and the multi-sectoral approach. Several noted with satisfaction the work on adaptation with the Vulnerable Twenty Group. One Member asked that the meeting report note that, as a result of her country's policies on human trafficking and human rights, the country could not join consensus in supporting projects for three countries because of their poor human rights policies.

**Decision:** In Decision LDCF.SCCF 7/2022, the Council approves the Work Program comprising two projects, subject to comments made during the Council meeting and additional comments that may be submitted in writing to the Secretariat by January 6, 2023. Total resources approved in this Work Program amount to USD 10.13 million from the LDCF and USD 500,000 from the SCCF, both inclusive of GEF project financing and Agency fees.

With respect to the PIFs approved as part of the Work Program, the Council finds that these PIFs (i) are, or would be, consistent with the Instrument and GEF policies and procedures, and (ii) may be endorsed by the CEO for final approval by the GEF Agency, provided that the final project documents fully incorporate and address the Council's and the STAP reviewer's comments on the Work Program, and that the CEO confirms that the project continues to be consistent with the Instrument and GEF policies and procedures.

With respect to any PIF approved in this Work Program, the final project document will be posted on the GEF website for information after CEO endorsement. If there are major changes to the project objectives or scope since PIF approval, the final project document shall be posted on the web for Council review for four weeks prior to CEO endorsement.

### Progress Report on the Least Developed Countries Fund and the Special Climate Change Fund

Aoki presented the [Progress Report on the Least Developed Countries Fund and the Special Climate Change Fund](#) (GEF/LDCF.SCCF.33/04), noting it covers the final three months of the GEF-7 period, as well as the start of the GEF-8 period.



**Carlos Manuel Rodríguez**, GEF CEO and Chairperson

For the LDCF, Aoki noted cumulative pledges amounting to USD 1.971 billion, 89.7% of which were paid contributions, and USD 1,751 billion cumulative funding approvals. During the reporting period, USD 12.3 million in paid contributions were received, and USD 4.49 million in new pledges from Finland, Ireland and Qatar. She also noted USD 70.6 million in new pledges were announced at COP 27. Aoki said the LDCF is expected to have 60.08 million direct beneficiaries, with 1.91 million people trained. Among these, she said, agriculture is the sector with the highest share of projects, followed by water, climate information services, ecosystem protection/restoration/management, and sustainable alternative livelihoods.

For the SCCF, Aoki reported cumulative pledges amounting to USD 356.9 million, 98% of which had been paid, with no new pledges received during the reporting period, but USD 35 million in new pledges were offered at COP 27. She highlighted that 55% of the funds were administered through development banks and IFAD, illustrating the SCCF's potential to leverage funding for innovative adaptation. The SCCF is expected to directly benefit 8.91 million people, with 218,765 people trained. The leading sector is water, followed by: agriculture; climate information services; ecosystem protection/restoration/management; disaster risk management; infrastructure and transportation; and coastal management.

Aloke Barnwal, GEF Secretariat, presented the “[Inclusive GEF Assembly Challenge Program](#)” (GEF/LDCF.SCCF.33/Inf.04). He explained that the aim of the program is to recognize and support the role played by community-based/civil society organizations in delivering inclusive benefits for people and ecosystems, and to advance the whole-of-society approach by providing resources and knowledge to scale up their initiatives.

Barnwal said a call for proposals will go out for high-impact and innovative projects which systematically involve CSOs, Indigenous Peoples, youth, and women and girls, both as stakeholders and solution providers/implementers. He added that the call will address topics such as climate action, nature-based solutions, sustainable land and water management, water security, sustainable agriculture and livelihoods, institutional empowerment, and knowledge management. He explained the



Chizuru Aoki, GEF Secretariat

winning projects will be selected by a committee that includes the CSO Network, STAP, the GEF Secretariat and a youth representative, and they will be announced at a high-profile event during the upcoming GEF Assembly and awarded up to USD 100,000 each for project implementation.

A Member asked how the Challenge Program will support partnerships and the inclusion of women, girls, indigenous peoples, youth and CSOs in general. Addressing a related comment from a CSO representative, Aoki highlighted the role of CSOs in helping identify initiatives that can be supported through the Program and provide final recommendations. She also noted ongoing efforts to further engage CSOs in regional and subregional conversations with countries.

Another Member supported that GEF continue working with countries on National Adaptation Plans (NAPs) and asked how such work is coordinated with the GCF. Aoki replied that while the GCF focuses more on supporting NAP preparation through its Readiness Program, both GEF and GCF support NAP implementation in close coordination to avoid overlap and foster synergies in the support provided.

A Member asked how GEF-8 expects to integrate IPs with the two funds. Aoki said that IPs are based on the GEF Trust Fund programming and that some countries may use funds from LDCF and SCCF as complementary investments or programs for IPs.

**Decision:** In decision LDCF.SCCF 8/2022, the LDCF/SCCF Council welcomes the report and takes note with appreciation of the progress made under the LDCF and the SCCF.

### Closing of the Council Meetings

At the end of the day, on Friday, the GEF Council and the LDCF/SCCF Council reviewed the Co-Chairs' Summaries of the meetings, comprising the decisions that were taken during each meeting, and adopted the Summaries without changes.

Thanking all Council Members and participants, Rodríguez brought the Meetings of the GEF Council and LDCF/SCCF Council to a close at 8:57 am Eastern Standard Time.

### Upcoming Meetings

**UN Biodiversity Conference:** The 15th meeting of the COP to the Convention on Biological Diversity, the tenth meeting of the COP serving as the Meeting of the Parties (MOP) to the Cartagena Protocol on Biosafety, and the 4th meeting of the COP serving as the MOP to the Nagoya Protocol on Access to Genetic Resources and the Fair and Equitable Sharing of Benefits Arising from their Utilization will convene face-to-face in December 2022. **dates:** 5-17 December 2022 **location:** Montreal, Canada **www:** [cbd.int/process/](http://cbd.int/process/)

**GEF-8 Asia-Pacific Regional Workshop:** The Asia and Pacific Regional IP Workshop will bring together the GEF Secretariat and invited partners for an overview of the GEF-8 Programing Directions on IPs, focal areas, and global programs, and hands-on sessions with a specific focus on the IPs and the

country Expression of Interest process. **dates:** 10-13 January 2023 **location:** Bali, Indonesia **www:** [thegef.org/events/gef-8-asia-pacific-regional-workshop](https://thegef.org/events/gef-8-asia-pacific-regional-workshop)

**GEF-8 Rollout Pacific Regional Dialogue:** A Pacific day will be held alongside the Asia-Pacific workshop to provide targeted support and working sessions on selected IPs and topics of interest to the Pacific SIDS. The agenda will include a deep-dive of the Blue and Green Islands IP and SIDS-specific guidance on other IPs of interest. **dates:** 13 January 2023 **location:** Bali, Indonesia **www:** [thegef.org/events/gef-8-rollout-pacific-regional-dialogue](https://thegef.org/events/gef-8-rollout-pacific-regional-dialogue)

**Resumed BBNJ IGC5:** The fifth session of the IGC will resume, at a date to be determined by the UN General Assembly, to conclude negotiations on the legally-binding agreement on BBNJ. **dates:** TBD (tentatively late February 2023) **location:** UN Headquarters, New York, USA **www:** [un.org/bbnj/](https://un.org/bbnj/)

**SAICM IP4.2:** The resumed fourth meeting of the Intersessional Process for Considering the Strategic Approach to International Chemicals Management (SAICM) and the Sound Management of Chemicals and Waste Beyond 2020 (IP4.2) will continue negotiations on the post-2020 platform or instrument for the sound management of chemicals and waste. **dates:** 27 February -3 March 2023 **location:** Nairobi, Kenya **www:** [saicm.org/](https://saicm.org/)

**UN 2023 Water Conference:** The Governments of Tajikistan and the Netherlands will co-host the UN 2023 Water Conference, supporting to achieve the internationally agreed water-related goals and targets, including those contained in the 2030 Agenda for Sustainable Development. **dates:** 22-24 March 2023 **location:** New York **www:** [sdgs.un.org/conferences/water2023](https://sdgs.un.org/conferences/water2023)

**Basel, Rotterdam, and Stockholm Conventions COPs:** The meeting will be comprised of Basel Convention COP16, Rotterdam Convention COP11, and Stockholm Convention COP11. **dates:** 1-2 May 2023 **location:** Geneva, Switzerland **www:** [brsmeas.org/](https://brsmeas.org/)

**UNFF18:** The United Nations Forum on Forests will review progress in implementation of the UN Strategic Plan for Forests (UNSPF) and preparations for the Mid-Term Review of the UNSPF, as well as UNFF18 inputs to the UN High-Level Political Forum on Sustainable Development (HLPF), work toward the global biodiversity framework and other international forest-related developments. **dates:** 8-12 May 2023 **location:** UN Headquarters, New York **www:** [un.org/esa/forests/index.html](https://un.org/esa/forests/index.html)

**UNFCCC Subsidiary Body Meetings:** The 58th sessions of the Subsidiary Bodies will convene to prepare for COP 28, the 18th Meeting of the Parties to the Kyoto Protocol (CMP 18), and 5th Meeting of the Parties to the Paris Agreement (CMA 5). **dates:** 5-15 June 2023 **location:** Bonn, Germany **www:** [unfccc.int/conference/first-sessional-period-2023](https://unfccc.int/conference/first-sessional-period-2023)

**UNCCD CRIC 21:** The twenty-first session of the Committee for Review of the Implementation of the Convention to Combat Desertification (UNCCD) is tentatively scheduled to take place

in Uzbekistan. **dates:** 2023 (TBC) **location:** Uzbekistan **www:** [unccd.int/events](https://unccd.int/events)

**64th Meeting of the GEF Council:** The next meeting of the GEF Council is expected to take place in June 2023. **dates:** TBC **location:** TBC **www:** [thegef.org/events/](https://thegef.org/events/)

For additional upcoming events, see: [www.sdg.iisd.org/](https://www.sdg.iisd.org/)

## Glossary

|        |   |
|--------|---|
| AfDB   | African Development Bank  |
| ADB    | Asian Development Bank  |
| BBNJ   | Marine biological diversity of areas beyond national jurisdiction |
| BOAD   | West African Development Bank                                     |
| BRS    | Basel, Rotterdam and Stockholm Conventions                        |
| CAF    | Latin American Development Bank                                   |
| CBD    | Convention on Biological Diversity                                |
| CES    | Country Engagement Strategy                                       |
| COP    | Conference of the Parties   |
| CSO    | Civil society organization  |
| DBSA   | Development Bank of Southern Africa                               |
| FAO    | Food and Agriculture Organization of the UN                       |
| GCF    | Green Climate Fund  |
| GEF    | Global Environment Facility                                       |
| GEF-8  | Eighth Replenishment of the GEF Trust Fund                        |
| IEO    | Independent Evaluation Office                                     |
| IFAD   | International Fund for Agricultural Development                   |
| IP     | Integrated Program  |
| IUCN   | International Union for Conservation of Nature                    |
| LDCs   | Least developed countries   |
| LDCF   | Least Developed Countries Fund                                    |
| MAR    | Management Action Record  |
| NGI    | Non-grant instrument  |
| OFP    | Operational focal point   |
| PCB    | polychlorinated biphenyl  |
| PIF    | Project Identification Form                                       |
| SCCF   | Special Climate Change Fund                                       |
| SGP    | Small Grants Programme  |
| SIDS   | small island developing States                                    |
| STAP   | Scientific and Technical Advisory Panel                           |
| UNCCD  | UN Convention to Combat Desertification                           |
| UNCLOS | United Nations Convention on the Law of the Sea                   |
| UNDP   | UN Development Programme  |
| UNEP   | UN Environment Programme  |
| UNFCCC | UN Framework Convention on Climate Change                         |
| WWF    | World Wildlife Fund   |