



## SUMMARY OF THE 45TH MEETING OF THE GLOBAL ENVIRONMENT FACILITY COUNCIL: 5-7 NOVEMBER 2013

The 45th meeting of the Global Environment Facility (GEF) Council convened in Washington, DC, US, from 5-7 November 2013, at World Bank headquarters. The three-day meeting brought together approximately 250 representatives of governments, international organizations and civil society organizations (CSOs). The meeting included the 15th meeting of the Council for the Least Developed Countries Fund (LDCF) and Special Climate Change Fund (SCCF), and it was preceded by a CSO Consultation and an evening reception on 4 November.

The GEF Council considered, inter alia: the progress report on the pilot accreditation of GEF Project Agencies; the mid-term evaluation of the System for Transparent Allocation of Resources (STAR); the mid-term evaluation of the National Portfolio Formulation Exercise; an update on the GEF-6 replenishment; a review of GEF Agencies on their application of environmental and social safeguards and gender mainstreaming; and an update on the development of the GEF 2020 strategy. The GEF Council also approved a Work Program amounting to US\$259.84 million.

In addition, the Council participated in a video conference dialogue with Achim Steiner, Executive Director, UN Environment Programme. The Executive Secretaries of the Convention on Biological Diversity (CBD), UN Convention to Combat Desertification (UNCCD) and the Stockholm Convention on Persistent Organic Pollutants (Stockholm Convention) also engaged in a discussion on synergies with the GEF Council, and the Council received an update on the newest convention, the Minamata Convention on Mercury.

The LDCF/SCCF Council convened for its 15th meeting on 7 November. It adopted decisions on the progress report for the LDCF and SCCF, and the Work Program for the SCCF. During the meeting, Finland announced a pledge of US\$4.94 million for the LDCF and US\$2.56 million for the SCCF.

This report highlights the discussions held and decisions made during the 45th meeting of the GEF Council and the 15th meeting of the LDCF/SCCF Council, and is organized following the order in which the discussions took place.

### A BRIEF HISTORY OF THE GEF

The Global Environment Facility (GEF) was created in 1991 as a result of mounting concern in the preceding decade over global environmental problems and in an effort 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



Group photo of participants at the end of the event

participants' meeting in Geneva in March 1994, where representatives of 73 countries 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 (STAP). The Evaluation Office was created in 2003. The GEF Assembly has convened four 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; and 25-26 May 2010 in Punta del Este, Uruguay.

The organization's main decision-making body is the GEF Council, which is responsible for developing, adopting and evaluating the GEF's operational policies and programmes. It is comprised of 32 appointed Council members, each representing a constituency, that is, a group of countries, including both donor and recipient countries.

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

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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 from 1 July 2010 to 30 June 2014. Negotiations on GEF-6 are currently ongoing.

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 the financial mechanism for a number of multilateral environmental agreements: the CBD, the UNFCCC, the Stockholm Convention and the UNCCD. GEF work also focuses on sustainable forest management, international waters and ozone layer depletion.

GEF funding has been channelled to recipient countries through 10 “GEF Agencies”: the UN Development Programme; the UN Environment Programme; the World Bank; the Food and Agriculture Organization of the UN; 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. Two “GEF Project Agencies” are in a pilot accreditation phase: World Wildlife Fund, Inc. (WWF-US) and Conservation International.

**40TH MEETING OF THE GEF COUNCIL:** This meeting convened in Washington, DC, US, from 24-26 May 2011. At this meeting, Council members agreed to, *inter alia*, broaden 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 agreed to approve the arrangements for the operation of the Nagoya Protocol Implementation Fund, which was established based on a proposal and an initial contribution by Japan.

**41ST MEETING OF THE GEF COUNCIL:** This meeting convened in Washington, DC, US, from 8-10 November 2011. Council members discussed options for engaging with the private sector, approved a revised strategy for programming GEF-5’s private sector funds, and requested the Secretariat, in consultation with the multilateral development banks, to present to the Council a detailed paper outlining clear operational modalities for private sector engagement. Council members also adopted a Work Program that reflected the needs and views of 99 beneficiary countries. Council members also adopted a decision asking the Secretariat to organize a meeting of biodiversity-related conventions with the CBD Secretariat to facilitate the coordination of priorities for inclusion in the GEF-6 programming strategy. The Council approved provisions on how a policy on environmental and social safeguards should be applied to existing GEF Agencies and GEF Project Agencies.

**42ND MEETING OF THE GEF COUNCIL:** This meeting convened in Washington, DC, US, from 5-7 June 2012. The Work Program adopted at this meeting was the largest presented to the Council to date, with 84 stand-alone project concepts and two programmatic approaches amounting to US\$667.26 million in GEF project grants. The Council

also unanimously appointed Naoko Ishii (Japan) as CEO/ Chairperson of the GEF for a four-year term, beginning 1 August 2012. The LDCF/SCCF Council convened for its 12th meeting on 7 June, and approved decisions on: the Joint Work Program for the LDCF/SCCF; the FY2012 Work Plan and Budget for the Evaluation Office under the LDCF and SCCF; and the Administrative Budget for the LDCF and SCCF for Fiscal Year 2013. Pledges and contributions were announced by Australia (AUS\$15 million) and Finland (US\$5 million).

**43RD MEETING OF THE GEF COUNCIL:** This meeting convened in Washington, DC, from 13-15 November 2012. The Council approved decisions on, *inter alia*: relations with conventions and other international institutions; proposed framework for a financial mechanism for the future mercury convention and draft operational programme for mercury; financial projections for GEF-5 programming options; and the Work Program, which amounted to US\$174 million and benefited 63 countries.

The LDCF/SCCF Council convened for its 13th meeting on 15 November and adopted, *inter alia*, a Work Program amounting to US\$28.544 million for the SCCF and US\$1.87 million for the LDCF. Belgium, Finland, the Netherlands, Norway and Sweden announced new contributions to the LDCF and SCCF amounting to US\$80.8 million.

**44TH MEETING OF THE GEF COUNCIL:** This meeting convened from 18-20 June 2013, in Washington D.C. The Council approved decisions on, *inter alia*: relations with conventions and other international institutions; the progress report from the Director of the GEF Evaluation Office; the annual monitoring review; the report of the selection and review committee; the Work Program and budget of the GEF Evaluation Office; the GEF Business Plan and Corporate Budget for the 2014 fiscal year; the Fifth Overall Performance Study and Management Response (OPS5); and the Work Program, which amounted to US\$369.82 million. The Council also accepted Mexico’s proposal to host the fifth Assembly of the GEF.

On 20 June, the 14th meeting of the LDCF/SCCF Council approved a Joint Work Program comprising four project concepts and two programmatic approaches, and requested total resources of US\$19.8 million for the SCCF and US\$25.03 million for the LDCF. In addition, the funds were bolstered by pledges amounting to US\$129 million for the LDCF and US\$69.2 million for the SCCF.

**CSO CONSULTATION:** A GEF Council Consultation Meeting with CSOs took place on 4 November 2013, in Washington, DC, immediately prior to the 45th meeting of the GEF Council. GEF CEO and Chairperson Naoko Ishii offered opening comments and highlighted that two CSOs – WWF-US and Conservation International – had joined the ‘GEF family’ as GEF Project Agencies. Participants also engaged in an interactive dialogue on the future strategic role of the GEF and offered comments on the GEF 2020 Strategy.

## REPORT OF THE 45TH MEETING OF THE GEF COUNCIL

On Tuesday, 5 November 2013, Naoko Ishii, Chief Executive Officer (CEO) and Chairperson of the Global Environment Facility (GEF), opened the 45th meeting of the GEF Council, highlighting recent developments within environmental conventions, which she said indicate strong demand for the GEF as an important player in the global environment.





Naoko Ishii, GEF CEO and Chairperson, opened the 45th meeting of the GEF Council

Ishii welcomed Conservation International and WWF-US as two new GEF Project Agencies, and said working with them would help to diversify the GEF toolbox and present a broader range of options for countries to enable them to address environmental challenges. She emphasized that the entire GEF partnership has a common interest in making sure GEF projects are implemented as quickly as possible and in line with GEF policies on environmental and social safeguards and gender mainstreaming. She said an important message was emerging that, as the GEF grows, there is a need to work towards improving and strengthening partnerships to enhance impacts.

Carter Roberts, President and CEO, WWF-US, and Niels Crone, Chief Operating Officer, Conservation International, expressed their thanks for the accreditation of their organizations and looked forward to working with the GEF in the role of GEF Project Agencies.

The Council elected Margarita Perez Villaseñor (Council member for the Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama and Venezuela constituency) as Chairperson and adopted the agenda (GEF/C.45/01/Rev.01) after agreeing to include co-financing and the relationship with countries and agencies under the agenda item on “other business.”



Margarita Perez Villaseñor, Mexico

### ANNUAL MONITORING REVIEW FY13: PART I

On Tuesday, 5 November 2013, the GEF Secretariat introduced document GEF/C.45/05, *Annual Monitoring Review FY13: Part I*, and explained that it comprises: an overview of cumulative project approvals; analysis of GEF-5 project approvals during the 2013 fiscal year; analysis of the breakdown of the GEF active portfolio; and information on management effectiveness and efficiency indicators. He noted that the GEF portfolio under implementation for the current fiscal year had performed satisfactorily.

During the ensuing discussion, Council members made comments and raised questions about the reasons for the: project delays from the implementing Agency side; lack of progress on tracking and reporting on key milestones of project cycles; variations in performance among Agencies in terms of project implementation; and wide variation across indicative targets. One Council member highlighted the need for agreeing on methodology for calculating project cycle performance.



L-R: Niels Crone, Chief Operating Officer, Conservation International, and Carter Roberts, President and CEO, WWF-US

In response, the GEF Secretariat observed that Part II of the Annual Monitoring Review (AMR II), to be released in Spring 2014, would report on time elapsed between the start of a project and project disbursement. He acknowledged concerns over project cycle delays, observing that the Evaluation Office had changed the methodology for assessing this. He said that AMR II would provide information on why the rating for certain agencies had dropped.

The GEF Secretariat explained that, during the National Portfolio Formulation Exercise (NPFE), some reports were delayed, but this situation resulted primarily from issues within countries, such as changing focal points in the middle of the project cycle. He said this was only the first time an NPFE had been undertaken, and that in the future, they would start earlier and the process would be more structured. GEF Agencies commented that delays in various stages of the project cycle did not necessarily mean delay in implementation and final output of the project. They further explained that regional and global projects were usually slower getting off the ground than single-country projects, which contributed to delays, but that once the projects began, performance improved.

**Decision:** The Council, *inter alia*, welcomed the overall finding that the GEF portfolio under implementation in FY13 performed satisfactorily across all focal areas. The Council requested the Secretariat, in collaboration with the Agencies, to report at the Spring 2014 meeting, on the “progress against GEF-5 programming targets in the Annual Monitoring Review, Part II,” and indicated that subsequent reporting on progress against replenishment programming targets should be included in AMR, Part I.

### ANNUAL REPORT ON IMPACT AND MANAGEMENT RESPONSE

On Tuesday, 5 November 2013, Robert van den Berg, Director, Evaluation Office, presented the *Annual Impact Report 2013*, which is based on document GEF/ME/C.45/01, *Annual Report on Impact*, and covers the period 1 October 2012 to 30 September 2013.

Among the report’s conclusions were that 16 of the 18 projects examined reported significant greenhouse gas (GHG) emission reductions and that projects that have made a lot of progress towards achieving impacts have adopted comprehensive approaches and addressed policy frameworks. The report identified entry points for market change, including through projects’ influence on: improved product quality; more and better suppliers; increased demand for sustainable energy technologies; reduced incremental costs; availability of loans from the financial sector; and supportive local and/or national regulations and policies.



Robert van den Berg, Evaluation Office

Recommendations included: continuing and strengthening in GEF-6, the current focus on interventions that tackle barriers in a comprehensive way; improving the measurement of GHG emission reductions, both direct and indirect; and requesting STAP to formulate a targeted research project to ensure that assessments of direct and indirect GHG emission reductions can be verified.

The GEF Secretariat presented the *Management Response to the Annual Report on Impact* (GEF/ME/C.45/02), and welcomed the conclusion that the projects had achieved significant GHG emission reductions, both direct and indirect, and expressed concern about developing *ex-post* measurements.

During the discussion, Council members highlighted the need to: remember that the GEF's comparative advantage is in helping developing countries to raise awareness and build capacity, which is more fundamental to creating transformational change than investments that generate direct emission reductions; use a scientific methodology to select cases for a study, such as the *Annual Report on Impact*; and explore the degree to which GEF Agencies have learned lessons through the cases. A number of Council members inquired about the proposed request to STAP to formulate a research project, including whether STAP would work with other entities and how the research would be funded and conducted.

The Evaluation Office highlighted that the sampling issues are discussed in the full evaluation report, and suggested a revised recommendation calling for a dialogue instead of a 'targeted research project' on assessments of direct and indirect GHG emission reductions.

**Decision:** The Council noted the considerable achievements made through GEF support for climate change mitigation in China, India, Mexico and the Russian Federation. It also noted that, in several projects, "progress towards impact was slowed down by barriers to change that were not fully included in project design and implementation."

The Council further noted that "the current portfolio of mitigation support has shifted towards tackling broader adoption in a more comprehensive way in mitigation support in GEF-5," and requested the Secretariat to include this emphasis, and where necessary further strengthen it, in the proposals for GEF-6.

In addition, the Council requested the GEF Secretariat, in collaboration with STAP and other relevant GEF entities, "to continue its work on the improvement of the methodology of GHG emission reduction calculations" and to engage in a dialogue to improve the assessment of direct GHG emission reductions during project implementation and at completion, and to improve estimation of indirect GHG emission reductions. The Council requested the GEF Secretariat to report back by the next Council meeting with proposals on this issue.

### **PROGRESS REPORT ON THE PILOT ACCREDITATION OF GEF PROJECT AGENCIES**

On Tuesday, 5 November 2013, the GEF Secretariat introduced the *Progress Report on the Pilot Accreditation of GEF Project Agencies* (GEF/C.45/12). Reporting progress on finalizing arrangements with Conservation International and WWF-US, he said financial arrangements with the GEF Trustees were being negotiated to facilitate the transfer of resources when projects are approved. He also noted that GEF grant ceilings for the GEF Project Agencies had been proposed for: WWF-US at US\$65,000,000; and Conservation International at US\$120,000,000.

During the discussion, one Council member called for the accreditation of new Project Agencies from the South. Several Council members said the accreditation process should be completed within a reasonable time, so that the second group of Agencies could be considered for accreditation. Other Council members expressed support for a "careful and deliberate accreditation process," emphasizing that safeguards are important for the GEF. One Council member noted that the pilot exercise could benefit from a summary of problems encountered.

In response, the GEF Secretariat said the second round of accreditation would begin after the first round had been completed. He said that, from 11 agencies, two had passed through Stage II and were close to completing Stage III, two had received conditional approval, and another five agencies had been asked to undertake further compliance measures, while two agencies had been rejected.

On whether the Council should approve grant and portfolio ceilings, he said ceilings could change frequently and it was best to avoid making the approval of ceilings a feature of the Council. He noted that the Stage II accreditation process involved detailed document analysis and the Accreditation Panel was following the procedure approved by the Council.

Naoko Ishii acknowledged that the accreditation procedure was challenging, but emphasized the need for the process to be rigorous. She recalled that the Council had taken the decision to complete the pilot process by the end of December 2014 before considering the next steps.

One Council member, supported by others, proposed that the next Council meeting should discuss what was desired for the next accreditation phase and suggested adding in the decision text, the Council's request for "the Secretariat to include consideration for future work on another round of candidacy." Others preferred waiting for the evaluation or review of the initial pilot accreditation process.





L-R: Co-Chairperson Margarita Perez Villaseñor, Mexico; Naoko Ishii, GEF CEO and Chairperson; and William Ehlers, Team Leader, External Affairs, GEF Secretariat

**Decision:** The Council approved the initial grant ceilings for WWF-US and Conservation International, “determined in accordance with the provisions set forth in Council document GEF/G.40/09, *Broadening the GEF Partnership under Paragraph 28 of the Instrument*, as follows:

- individual project ceiling for a GEF grant: US\$65,000,000 for WWF-US and US\$120,000,000 for Conservation International; and
- total project ceiling: US\$125,000,000 for WWF-US and US\$110,000,000 for Conservation International.”

In addition, the Council authorized the Secretariat to recalculate the ceilings at the time of approving projects for these agencies and inform the Council of any changes, and requested the Secretariat to continue to present a progress report on the accreditation pilot at every Council meeting.

#### **NOTE ON THE ORGANIZATION OF THE FIFTH GEF ASSEMBLY**

On Tuesday, 5 November 2013, the Secretariat introduced document GEF/C.45/07, *Note on the Organization of the Fifth GEF Assembly*, which reviews preparations for the Fifth GEF Assembly, the 46th meeting of the GEF Council, and the CSO Consultation, which were proposed to convene from 25-30 May 2014, in Cancun, Mexico.

The Secretariat reviewed the proposed budget, which he noted was lower than the budget for the Fourth GEF Assembly. He said the Government of Mexico proposed holding the event in the Moon Palace Hotel, and that the GEF Council meeting would take place from 25-27 May, a CSO Consultation would take place on 27 May, and the Assembly would take place from 28-30 May.

A Council member indicated that the Green Climate Fund Board is meeting in the Republic of Korea immediately before these Council dates, but others noted the difficulty for Mexico to change the host country arrangements.

**Decision:** The GEF Council took note of the proposed preliminary budget and approved an additional US\$1,368,528 for the Special Initiative to fund the Organization of the Assembly.

#### **PROGRESS REPORT OF THE GEF EVALUATION OFFICE DIRECTOR, INCLUDING THE OPS5 PROGRESS REPORT AND MANAGEMENT RESPONSE**

On Tuesday, 5 November 2013, Robert van den Berg presented GEF/ME/C.45/03/Rev.01, *Progress Report of the GEF Evaluation Office Director, including the OPS5*

*Progress Report*, emphasizing issues including: what should be done if the GEF becomes underfunded during GEF-6; the high relevance of support to countries and regions; the need to ensure that project design and implementation engage stakeholders; and the need to discuss the slow and cumbersome project cycle at the third replenishment meeting.

Van den Berg recommended, *inter alia*, developing a community of practice that would exchange lessons learned and focus on strengthening project design, and recognizing that monitoring and evaluation plans and tracking tool data requirements are one of the delaying factors in the project cycle.

In the management response (GEF/ME/C.45/08, *Management Response to the Progress Report of the GEF Evaluation Office Director, including the OPS5 Progress Report*), the Secretariat noted that it is working with the Agencies on the issue of project cycle effectiveness.

The Evaluation Office also highlighted the upcoming peer review, which is scheduled for early 2014. He said the review panel is being formed and will be chaired by Mary Chinery-Hesse (Ghana), former Deputy Director-General of the International Labor Organization. On the question of independence of the Evaluation Office, he highlighted the importance of structural independence and introduced a proposal that would place the Evaluation Office’s independence on a firmer basis by changing its name and revising the Instrument to include the Evaluation Office in it.

During the discussion, Council members: welcomed a proposal to separate the budgets of the Evaluation Office and Secretariat; emphasized the need for the GEF to streamline its processes and enhance knowledge management and learning processes; called for all new initiatives to involve new funding; highlighted the importance of the country support programme; and proposed referring to ‘participants’ rather than ‘donors.’ The NGO Network emphasized the need to engage CSOs from the project design phase onward.

**Decision:** The Council took note of the ongoing work of the Evaluation Office and the progress report on the OPS5 Study of the GEF, as well as the upcoming peer review and the international trends on independence of evaluation. The Council approved the name change of the Evaluation Office to ‘GEF Independent Evaluation Office (GEFIEO).’ The Council also requested the Secretariat and the Evaluation Office to prepare a proposal to amend the Instrument to include the Evaluation Office, to be approved by the Council before the Assembly in 2014.

### **MID-TERM EVALUATION OF THE SYSTEM FOR TRANSPARENT ALLOCATION OF RESOURCES (STAR) AND MANAGEMENT RESPONSE**

On Tuesday, 5 November 2013, the Evaluation Office introduced the *Mid-Term Evaluation of the System for Transparent Allocation of Resources* (GEF/ME/C.45/04), noting that the Council had requested the Evaluation Office to undertake a mid-term evaluation of STAR, with the key question being whether STAR's design promotes transparency and predictability, and strengthens country-driven approaches.

The Evaluation Office highlighted conclusions including: STAR indices are scientifically and technically valid, although minor fine-tuning needs to take place; the gross domestic product indicator based on the market exchange rate was effective in directing additional resources to least developed countries (LDCs), but the use of the purchasing power parity (PPP)-based indicator would have been more appropriate; a significant proportion of countries that have full flexibility were able to use focal area resources across focal areas, but countries with marginal flexibility did not benefit as much; compared to the Resource Allocation Framework (RAF), STAR's implementation was smoother, with some exceptions; use of STAR is in line with expectations, with 70% of resources having been used by the end of the third year; and STAR is perceived as having increased transparency and country ownership, and has helped smaller countries to access GEF resources.

The Evaluation Office highlighted recommendations, including: increasing the limits for flexible use of focal area allocations for activities for countries with marginal flexibility; improving the STAR index through specification of better indicators and updating of data; and fine-tuning the implementation of STAR on several aspects.

The GEF Secretariat noted that the *Management Response to the Mid-Term Evaluation of STAR* (GEF/ME/C.45/05) welcomes the mid-term evaluation and agrees that there are several areas with the potential for technical improvements in the design of STAR. The Secretariat indicated it does not agree with the recommendation to increase marginal flexibility, maintaining that this would create operational complexity and would also be confusing for the operational focal points, with resources shifting back and forth between focal areas. The Secretariat suggested not including this part of the recommendation in the decision.

During the ensuing discussion, many Council members observed that STAR has been a major improvement on the RAF, but questioned the use of PPP as a new indicator for determining *per capita* income. One member said it does not accurately reflect the socio-economic situation of a particular country, is based on a restrictive hypothesis, and no other development organization uses PPP. Others called for a detailed analysis of implications of using PPP before it is deployed.

Some Council members highlighted the need for more flexibility in the use of allocated resources. One Council member called for caution on marginal flexibility, noting that it is not necessarily useful even if it is being used. Preferring less flexibility, another Council member said flexibility had to be in line with the goal of maximizing global environmental benefits.

Questions were also raised concerning the slow use of sustainable forest management (SFM) resources in GEF-5. One Council Member observed that LDCs had received the highest share of SFM resources and questioned why it was proposed

to lower the ratio transferred to LDCs if the objective was to increase the uptake. Another member noted that SFM benefited those who understood how to use it.

In response, the Evaluation Office noted that strategic implications were not fully presented and that fine-tuning of indices may lead to greater environmental benefits, but that flexibility did not have a negative impact on global environmental benefits and ultimately the goal was for the system to be more transparent and predictable.

**Decision:** The Council requested the Secretariat to take into account the following recommendations when preparing STAR for GEF-6 for Council consideration:

- limits for flexible use of focal area allocations for activities could be increased for countries with marginal flexibility;
- the STAR index could be improved through specification of better indicators and updating of data; and
- the implementation of STAR could be fine-tuned on several aspects, most notably a more thorough calculation of the allocations with sufficient quality control, and improvements in the process for STAR calculation and database management.

Given the relatively slow utilization of SFM in GEF-5, the Council requested the Secretariat to ensure that the development of new programs should give attention to efforts that would be required to make the GEF partnership aware of the operational rules and procedures of these programs.

### **MID-TERM EVALUATION OF THE NATIONAL PORTFOLIO FORMULATION EXERCISE (NPFE) AND MANAGEMENT RESPONSE**

On Tuesday, 5 November 2013, the Evaluation Office presented the *Mid-Term Evaluation of the National Portfolio Formulation Exercise (NPFE)* (GEF/ME/C.45/06), and highlighted a number of conclusions, including: NPFEs are relevant and may help promote and sustain country ownership of GEF activities; the uptake of the NPFE initiative was low due to delays in the groundwork for implementation and difficulties experienced by the countries in accessing the GEF grant for the initiative; the NPFE was especially important for LDCs and small island developing States (SIDS); the NPFE initiative enhanced country ownership through stakeholder consultations and national steering committees; and, in countries where stakeholder capacities were low, NPFEs were not effective in identifying project ideas that are eligible for GEF funding.



Participants watched the proceedings via simultaneous television broadcast



Recommendations included moving the programming to the end of the GEF phase to ensure that countries are ready for the new phase, and capacity development initiatives of the GEF, including NPFE, should aim to support a more comprehensive understanding of the GEF.

The GEF Secretariat presented the *Management Response to the Mid-Term Evaluation of the National Portfolio Formulation Exercise (NPFE)* (GEF/ME/C.45/07), highlighting that the NPFE enhanced country ownership and said a new round of NPFEs will begin in early 2014 to prepare for GEF-6.

GEF Council members supported continuing with the NPFE, with one member calling it a ‘best practice.’ Suggestions were made to simplify the procedure for the NPFE and to consider extending it to regions, such as the Mekong. In response to questions about the number of countries that had participated in the NPFE initiative, the Evaluation Office recalled that the NPFE has always been a voluntary exercise.

**Decision:** The Council noted the “relevance of the NPFEs to address the pre-identification phase of GEF support and its notable success in creating capacity in countries to coordinate and program GEF interventions.” The Council requested the Secretariat to: include in the final replenishment proposals the continuation of NPFE support in GEF-6, to be implemented through the Secretariat; use the balance of the GEF-5 NPFE support for programming exercises especially in LDCs and SIDS in 2014; include in the final replenishment proposals capacity development initiatives for GEF-6; and update NPFE guidelines to address information needs of the countries for programming on topics such as eligibility criteria, co-financing expectations, and funding modalities.

#### **PROGRESS REPORT ON THE GEF PROJECT CYCLE STREAMLINING MEASURES**

On Tuesday, 5 November 2013, the Secretariat introduced document GEF/C.45/04, *Progress Report on the GEF Project Cycle Streamlining Measures*, observing that all the streamlining measures approved by the Council were on implementation but it was still too early to assess the impacts of the measures. He explained that four task forces and the Secretariat are working to identify further streamlining measures.

The Secretariat further highlighted a pilot harmonization with the World Bank, which he said had been underway for almost one year. On streamlining the project approval process in the GEF, he noted that in recent months, the Secretariat had received requests for funding for biennial update reports under the UNFCCC that exceeded US\$500,000. The Secretariat suggested that, to expedite matters, the Council should give the GEF CEO the authority to approve such activities, up to US\$2 million.

During the discussion, several Council members said the decision on authorizing the CEO to approve activities up to US\$2 million could not be taken at this time. Others called for balancing the need for streamlining with the need for precision, and voiced concern about the lack of information on project milestones. The issues of projects remaining too long in the GEF pipeline and the modalities for instituting a cancellation process were also raised.

In response, Ishii noted that the objective was to find a way to reduce transaction costs and the purpose of working closer with the World Bank was so that GEF resources could be used more strategically.

When a revised draft decision was presented on Wednesday evening, Council members agreed to provide the CEO with “delegated approval authority for expedited approval of enabling activities requesting grants of up to US\$1 million.” The issue of a cancellation policy for projects that get stuck from one replenishment period to the next was raised and the Council agreed to a process to address this issue.

**Decision:** The Council, *inter alia*, requested the Secretariat, in collaboration with the GEF Agencies, to propose for consideration at the November 2014 Council meeting, a policy for cancellation of projects that exceed time-frame targets for project preparation.

It also agreed to provide the GEF CEO with delegated approval authority for expedited approval of enabling activities requesting grants of up to US\$1 million.

Furthermore, the Council requested the Secretariat to report at the next Council meeting on progress made in:

- implementation of the eight streamlining measures, including any possible cost savings;
- the harmonization pilot with the World Bank, including possible implications for extending this to other Agencies; and
- the four inter-agency working groups considering additional streamlining measures.

#### **RELATIONS WITH THE CONVENTIONS AND OTHER INTERNATIONAL INSTITUTIONS**

**UN Environment Programme (UNEP):** On Wednesday, 6 November, Achim Steiner, UNEP Executive Director, addressed the Council via video conference. He observed that, as an implementing agency of the GEF, UNEP continues to believe that the GEF is the leading global environmental financing facility, but emphasized that the GEF will need to bring greater coherence to the sustainable development landscape. He said the GEF should focus on complementarity and on how to maximize this, while retaining a strong focus on innovation.

Steiner noted many examples within the GEF of leveraging across different financial platforms and partnerships. He also welcomed Conservation International and WWF-US as new GEF Project Agencies and cited private investment in Kenya’s geothermal energy sector as a successful example of public-private finance leveraging.

Steiner observed that the GEF is in a continuous process of streamlining and would benefit from greater efficiencies, stressing, however, that quality has a price and the cheapest option is not necessarily the best. He highlighted the need for



Video conference presentation by Achim Steiner, UNEP Executive Director

a robust replenishment, observing that the UN Conference on Sustainable Development (UNCSD, or Rio+20) and other processes had signaled the importance of further scaling up global environmental actions.

Responding to a comment on leveraging finance, Steiner observed that the most effective leveraging formula for the GEF is creating programmes and projects that attract the private sector as investors. He concluded by noting that the GEF is about achieving transformation on multiple fronts, but that it has to choose where to prioritize. One Council member supported Steiner's reference to leveraging resources, including through partnerships, and said the GEF's role in success stories like the geothermal project in Kenya should be highlighted.

**Conventions:** The GEF Council then participated in a dialogue with the executive secretaries of three conventions. The discussion focused on the document GEF/C.45/06, *Relations with the Conventions and Other International Institutions*, which reviews activities of the GEF in relation to: the Convention on Biological Diversity (CBD), the UN Convention to Combat Desertification (UNCCD), the UN Framework Convention on Climate Change (UNFCCC), the Stockholm Convention on Persistent Organic Pollutants (the Stockholm Convention), and the Montreal Protocol on Substances that Deplete the Ozone Layer (the Montreal Protocol). The Executive Secretaries of the CBD, UNCCD and Stockholm Convention, who were present at the meeting, were asked to discuss synergies in their opening statements.

CBD Executive Secretary Braulio Ferreira de Souza Dias highlighted coordination efforts among the six biodiversity conventions, including through a September 2013 meeting of the Biodiversity Liaison Group where the conventions agreed to communicate to their respective parties, the opportunities to promote synergies in updating their National Biodiversity Strategies and Action Plans. He said the heads of the biodiversity conventions had recently sent the GEF CEO a letter calling for support for the biodiversity agenda in GEF-6.

UNCCD Executive Secretary Monique Barbut emphasized that the UNCCD is the multilateral environmental agreement (MEA) that is most directly focused on development issues, but that given its limited resources, it can only exist if it works with others. She highlighted her decision that the UNCCD should simplify reporting and incorporate the work by the CBD and UNFCCC on indicators related to degraded and dry lands into its own work.

Jim Willis, Executive Secretary of the Stockholm Convention, reviewed the efforts at achieving synergies undertaken by the Basel, Rotterdam and Stockholm



Jim Willis, Executive Secretary of the Stockholm Convention

Conventions, and emphasized that synergies are a tool, not the end result, and that such efforts should be undertaken after consideration of what the actors want to achieve. He called attention to the use of retreats among the secretariats of the chemicals and wastes conventions, and said the interim Secretariat for the Minamata Convention will be participating in the next retreat.

GEF Council members welcomed the discussion of synergies. One Council member highlighted the connection between land degradation and sustainable water management, as well as the fact that all of the MEAs in the GEF have "clear anthropogenic fingerprints on them." Efforts to involve the private sector in the CBD were highlighted as important.

One Council member noted that parties to the Stockholm Convention reported to the Convention COP on planning activity funding, and asked how the shift could take place from national planning activities to on-the-ground implementation.

Council members also noted that the Minamata Convention is expected to enter into force during GEF-6, and that its implementation should therefore be incorporated into GEF-6 planning. One Council member asked how the conventions would like to see the GEF position itself in the post-2015 development agenda process.

Another Council Member said that the CBD COP decision calling for a doubling of the GEF-6 component for biodiversity was not a good decision. He cautioned that the process of national reporting is not necessarily compatible with simplification and that there may be complexities involved with integrating the UNFCCC and CBD indicators into the UNCCD 10-year strategy.

In response, the CBD Executive Secretary cautioned against failure to achieve the Aichi Biodiversity Targets, because of the costs of inaction and the fact that this would be a bad signal for the Sustainable Development Goals (SDGs). He expressed hope that the GEF would follow up on the CBD COP guidance.

In response to several speakers' expressions of regret that a representative from the UNFCCC had not attended this Council meeting, the GEF CEO clarified that she preferred this portion of the Council meeting to be addressed at the Executive Secretary level, which was not possible for the UNFCCC given that the Warsaw Climate Change Conference begins the following week.

**Decision:** The Council welcomed the report on relations with conventions and "requested the GEF network to continue to work with recipient countries to reflect the guidance and national priorities in their GEF programming and activities."

**Mercury:** On Wednesday, 6 November, Tim Kasten, head of the Interim Secretariat for the Minamata Convention on Mercury, noted that that 91 States and the EU had signed the Convention since it opened for signature in October. He expressed thanks to the GEF Secretariat for its support throughout the negotiating process, observing that the Convention is a milestone in MEA evolution, being the first convention to be adopted in over a decade. He drew attention



CBD Executive Secretary Braulio Ferreira de Souza Dias



UNCCD Executive Secretary Monique Barbut





L-R: Fernando LUGRIS, Chair of the Intergovernmental Negotiating Committee on Mercury; Tim Kasten, Head of the Interim Secretariat for the Minamata Convention on Mercury; and Chairperson Margarita Perez Villaseñor

to its innovative and forward looking provisions, observing that the GEF is a key financing element in the Convention and early action requirements would need requisite financial resources.

#### **UPDATE ON GEF-6 REPLENISHMENT**

On Wednesday, 6 November, Naoko Ishii provided an oral update on the GEF-6 Replenishment process and next steps. She noted that the last meeting was in New Delhi, India, from 10-11 September 2013, and that the next meeting will take place on 10-12 December 2013, at the World Bank Office in Paris, France. She said a subsequent, and hopefully final, meeting would take place in February 2014. Ishii reported that the Co-Chairs' Summary of the New Delhi meeting highlights discussion of the need for an evidence-based approach to decisions, grounded on results and involving continued efforts to streamline the project cycle.

Participants discussed the potential of differentiated financing terms, including concessional loans, increased co-financing requirements, and changes to allocations, although they agreed it should remain fundamentally a grant-making facility. Participants also discussed the possibility of introducing a limited number of 'signature programs' on a pilot basis, which could enhance the GEF's responsiveness to regional and global issues.

During the discussion, Council members, *inter alia*: stressed the continuing importance of STAR, including for international water projects; highlighted the importance of grants; suggested that signature programs should be financed outside country allocations; and emphasized the need for a robust replenishment in the face of an increasing number of commitments under MEAs.

#### **REVIEW OF GEF AGENCIES ON ENVIRONMENTAL AND SOCIAL SAFEGUARDS AND GENDER MAINSTREAMING**

On Wednesday, 6 November, the GEF Secretariat introduced document GEF/C.45/10, *Review of GEF Agencies on Environmental and Social Safeguards and Gender Mainstreaming*, noting that it presents an assessment of the GEF Agencies with regard to the minimum requirements of the GEF Policy on Gender Mainstreaming and the Policy on Agency Minimum Standards on Environmental and Social Safeguards. He noted that eight Agencies had been assessed as fully meeting the GEF policy requirements and that UNEP and UNIDO had been required to make improvements in two areas.

UNEP explained that the organization's projects do benefit the environment and do not impact negatively on indigenous peoples or on gender issues. She noted that a socio-economic

and environmental framework was being developed, which will expand the scope of safeguards, but will require some changes to UNEP's standard operating procedure. She said everything would be in place by the end of 2014.

UNIDO said it was fully committed to reaching the required GEF policy standards. The African Development Bank explained that it had embarked on a new integrated safeguard system and highlighted measures taken to bring the organization in compliance with GEF policy standards.

During the discussion, Council members expressed concerns over Agencies that failed to meet the minimum standards for environmental and social safeguards. Some members called for time-bound remedial steps to be taken.

The Secretariat explained that, when the initial seven Agencies were brought into the GEF fold, there was no accreditation process and the focus was more on ensuring that the Project Agencies met the required fiduciary standards. He explained that the understanding now was that the old Agencies need to be assessed against the new standards and the objective is to ensure that the Agencies meet all the standards by the end of 2014.

**Decision:** The Council requested each GEF Agency that has not fully met the requirements of the *GEF Policy on Agency Minimum Standards on Environmental and Social Safeguards* and the *GEF Policy on Gender Mainstreaming* to submit to the GEF Secretariat, by 15 December 2013, a time-bound action plan explaining how it will come into compliance with those provisions not met. The GEF Secretariat will compile these time-bound action plans and forward them to the GEF Council for information by 31 December 2013. The Council agreed to a waiver so that Agencies can submit time-bound action plans on gender mainstreaming.

The Council requested each GEF Agency that has not fully met the requirements of either policy to report to the Council at its spring 2014 meeting on the progress each has made towards fulfilling its action plans, when the Council may impose specific deadlines on action plans.

In addition, the Council requested the Evaluation Office to begin its assessment of the *Policy on Agency Minimum Standards on Environmental and Social Safeguards* after the conclusion of the Pilot on Accrediting GEF Project Agencies. The Secretariat will present a revised policy for Council consideration taking into account the findings of this evaluation and any guidance from the Council.



L-R: Thomas Hammond, UNEP and Rosina Bierbaum, Chair of STAP

### **AMENDMENTS TO THE INSTRUMENT**

On Wednesday, 6 November, the Evaluation Office introduced document GEF/C.45/11, *Amendments to the Instrument*, detailing a proposed amendment being recommended to the GEF Council for recommendation to the Fifth GEF Assembly. He noted that a new sub-paragraph would have to be introduced on the Minamata Convention and that a revised decision would be circulated in January for approval by the GEF Assembly in May.

During the discussion, several Council members noted that they would be submitting written proposals on the decision.

**Decision:** The Council requested the Secretariat to submit a draft decision by 15 January 2014, for consideration and decision by mail, on amendments to the Instrument to be recommended to the Fifth Assembly, including but not limited to the Minamata Convention.

### **REPORT OF THE CHAIR OF THE SCIENTIFIC AND TECHNICAL ADVISORY PANEL (STAP)**

On Wednesday, 6 November, Rosina Bierbaum, Chairperson, GEF-STAP, presented the *Report of the Chairperson of the Scientific and Technical Advisory Panel* (GEF/STAP/C.45/Inf.01), highlighting STAP's activities and achievements. She underlined the role the GEF could play as a knowledge facilitator, emphasizing that under GEF 2020, the STAP could be uniquely placed to facilitate knowledge generation and science-related functions.

Several Council members expressed appreciation for the work of the STAP. Some called for clarity on STAP's role and for it to become more strategic and to improve communication, particularly with developing countries.

### **UPDATE ON GEF 2020 STRATEGY**

On Wednesday, 6 November, Naoko Ishii discussed the GEF 2020 Long-Term draft Strategy document (GEF/C.45/03), and said the GEF's vision for 2020 is to be a champion of the global environment, support multilateral environmental conventions by creating partnerships, and strategically invest in solutions that: address the underlying drivers of global environmental degradation; innovate and achieve global environmental benefits at scale; and deliver the highest impact, cost-effectively.

Ishii observed that, as a good starting point, almost half of the GEF-5 project identification forms (PIFs) focus on drivers and the majority of them are designed for scale or to be scalable. She posed several questions, including whether the GEF was moving too fast by addressing drivers and root

causes and thereby neglecting opportunities to address specific problems. She emphasized that the GEF was not moving away from key obligations under the conventions.

On the way forward, Ishii said a revised final draft of the GEF 2020 Strategy would be issued in early 2014 for endorsement at the GEF Assembly in May.

In the ensuing discussion, there was general agreement with the GEF's strategic direction of focusing on drivers. Other issues raised included: how the GEF relates to other multilateral funds and how it adds value; the need to emphasize the role of science in the Strategy; and the need for specific priority-setting for the GEF. One Council member noted that the Strategy should link to the post-2015 development agenda.

Council members called on the GEF to clearly identify how it could contribute to fulfilling the SDGs. Others called for emphasis on partnerships with the private sector. An NGO representative expressed concern over limited CSO engagement in the Strategy and called for a more participatory approach in finalizing the strategy. A Council member noted the need to enhance the gender perspective in programming for the strategy.

Council members also: expressed support for the plan to include gender in the next version, and suggested adding the private sector; suggested adding a section on social benefits such as unemployment; and said the text on relations with conventions should be made clearer.

One Council member noted that, although the document is being referred to as a 'living document,' there is a deadline for completing it, and asked whether it needs to be completed. Another Council member said this 'approach' document would be useful as input to the GEF-6 process and requested clarification on the objectives for the strategy and when it would be concluded.

Ishii noted the calls for the strategy to focus more on how the GEF, with its unique strengths, could act in the context in which it finds itself. She thanked Council members for their feedback, and suggested that a shorter paper that would lay the foundation for GEF-6 could be made available sooner than the full version.

### **WORK PROGRAM**

On Wednesday, 6 November, the Secretariat introduced the proposed Work Program (GEF/C.45/08), for which total resources amounted to US\$259.84 million. The Secretariat noted that the Work Program, *inter alia*, includes a considerable amount of resources for STAR programming and includes the first WWF-US project, which involves conservation of big cats in the Russian Federation.

Council members commented on a range of projects, including: a suggestion that the Cape Verde project on mainstreaming biodiversity conservation into the tourism sector could have been more ambitious and incorporated efforts to identify new financial mechanisms to achieve financial sustainability of the protected area system; support for the international water projects; a request to further review a Ukraine energy-efficiency project for possible overlaps with existing projects; and a request for information about the global environmental benefits from a contaminated site cleanup project in China. A number of Council members welcomed the project in the Russian Federation on big cats, highlighting that it is the first WWF-US project. One Council member pointed out that there was only one project for the constituency of Argentina, Bolivia, Chile, Paraguay, Peru and Uruguay.



The Secretariat said the Council's comments would be taken into account before the CEO endorsement stage. A GEF Agency noted that "calling back" projects can add about two months to the project cycle, and suggested exploring options to share comments earlier in the project cycle.

**Decision:** The Council approved a Work Program for US\$259.84 million, which includes GEF project grants and Agency fees. The project notes that the Council member representing the US abstained from the decision on the following projects: promoting energy efficient electric motors in China, and energy efficiency and renewable energy for sustainable water management in Turkmenistan.

The Work Program includes nine country biodiversity projects, 15 country climate change projects, five regional international waters projects, four country land degradation projects, six multi-focal projects, one regional project on persistent organic pollutants, two country projects on persistent organic pollutants, and five multifocal area sub-projects under previously approved Programs.

The projects range from conservation of Ecuadorian amphibian diversity and sustainable use of its genetic resources, to promoting sustainable rural energy technologies for household and productive uses in Ethiopia, achieving low carbon growth in cities through sustainable urban systems management in Thailand, support for implementation of the Cubango-Okavango River Basin Strategic Action Programme in Angola, Botswana and Namibia, community-based sustainable dryland forest management in the Gambia, and PCB reduction in Cameroon through the use of local expertise and the development of national capacities.

The decision notes that, for 11 specified projects, the Council requests the Secretariat to arrange for Council members to receive final draft project documents and to transmit to the CEO, within four weeks, any concerns they may have prior to the CEO's endorsing the project document for final approval by the GEF Agency. The 11 projects subject to this requirement include: contaminated site cleanup project in China; sustainable land management and conservation of oases ecosystems in Libya; conservation of big cats in the Russian Federation; a green shipping programme for the Russian Federation; and a project to remove barriers to increase investment in energy-efficiency in public buildings in Ukraine.

The Council also agreed that, with respect to the PIFs approved as part of the Work Program, each PIF "is, or would be, consistent with the Instrument and GEF policies and procedures" and "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 STAP reviewer's comments on the work program, and that the CEO confirms that with these revisions, the project is consistent with the Instrument and GEF policies and procedures."

On Thursday, 7 November, the Council met in an Executive session to consider the report of the Selection and Review Committee (GEF/C.45/09). The Council noted with regret that Robert van den Berg's term as the Director of the Evaluation Office would expire on 11 September 2014, and indicated that his successor should be appointed by the GEF Council at its first session in 2014, to ensure a smooth transition. It adopted a decision regarding the modalities for the recruitment and selection process for the Director of the Evaluation Office.

**Decision:** The GEF Council agreed to launch the recruitment process for the Director of the Evaluation Office as soon as possible, identified terms of reference for the position, and approved a budget for the recruitment process. The Council also decided on the performance evaluation process for the Evaluation Office Director and the GEF CEO for 2014.

### OTHER BUSINESS

On Thursday, 7 November, Naoko Ishii invited Council members to make interventions under this item. A Council member requested clarity on co-financing. Other members agreed with this statement, highlighting confusion surrounding co-financing ratios and requirements. Ishii explained that a working group comprised of the Agencies and the Secretariat was addressing the issue of co-financing, and said the results would be presented to the Council when the group completes its work. The Evaluation Office noted that OPS5 would include a section on co-financing and would therefore shed light on the issue.

Another Council member raised the issue of gender representation within the GEF Secretariat, pointing to under-representation of women in top management positions, accounting for only 18.2%. Ishii acknowledged this and said efforts were being made to redress it, but noted that the situation had improved in the last three years.

On project selection, a Council member said decisions detrimental to members in his constituency had been taken without consultation. In response, the Secretariat invited concerned Council members to meet with the Secretariat and discuss the situation as it relates to specific projects.

A Council member enquired about enabling activities for the Minamata Convention in relation to grants for initial assessments, as indicated in the information document titled *Initial Guidelines for Enabling Activities for the Minamata Convention on Mercury* (GEF/C.45/Inf.05), asking if these had been agreed by the Council. The Secretariat explained that: the information document reflects initial guidelines for enabling activities for the Convention; the paper was prepared to advance the discussion; and comments and suggestions would be taken on board. He requested additional feedback within 30 days from Council members.

The Secretariat confirmed dates for upcoming meetings of the Council: 28-30 October 2014; and 2-4 June 2015.

In response to a question on the future of the Small Grants Programme (SGP) under GEF-6, Ishii said that the GEF 2020 Strategy, which includes the SGP, will be discussed during the December replenishment discussion in Paris.

## REPORT OF THE LDCF/SCCF COUNCIL MEETING

On Thursday morning, 7 November 2013, Naoko Ishii opened the 15th meeting of the Least Developed Countries Fund and Special Climate Change Fund (LDCF/SCCF) Council. Ishii reviewed the activities undertaken through approved and endorsed projects under these funds, and said the projects that have been approved are expected to help reduce the vulnerability of more than five million people. She said the GEF, through the LDCF and SCCF, has the ability to lead the way in areas such as ecosystem adaptation, and she welcomed the Council's feedback and guidance.



Council session on LDCF/SCCF

The Council agreed to invite Margarita Perez Villaseñor (Council member for Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, and Venezuela constituency) to Co-Chair the meeting, and adopted the agenda (GEF/LDCF.SCCF.15/01/Rev.01).

### **PROGRESS REPORT FOR THE LDCF AND SCCF**

Naoko Ishii opened the discussion on this agenda item highlighting Bonizella Biagini's commitment and passion in her work with the LDCF and SCCF, as the Head of Climate Change Adaptation Strategy and Operations at the GEF. Ishii noted that Biagini had recently taken a new position outside the GEF and was not able to be at the meeting, but had sent her thanks to the Council for their support during her tenure. Many Council members expressed their deep appreciation for her work, requested that their comments be recorded in the notes from the meeting, and gave a round of applause for Biagini's contributions.

The Secretariat introduced the Progress Report on the LDCF/SCCF (GEF/LDCF.SCCF.15/03) and highlighted that total cumulative pledges to the LDCF, as of 30 September 2013, totalled US\$781.47 million, while cumulative pledges to the SCCF for the same period were US\$332.24 million.

Council members asked for additional information on, *inter alia*: the pipeline issues with SCCF; the key drivers for the increased rate of project approval; gender disaggregated data; and the length of the project cycle. Council members expressed their pleasure that the projects are raising the profile of adaptation and highlighting the vulnerability of LDCs, and thanked the Secretariat for including cumulative reporting results.

The Secretariat reported that US\$250 million worth of projects are in the pipeline for SCCF, and that staff expansion was partially responsible for the changes in the project cycle.

**Decision:** The LDCF/SCCF Council welcomed the report on this agenda item and "took note with appreciation" the progress made under the two funds.

### **WORK PROGRAM FOR THE SCCF**

The Secretariat introduced the Work Program for the SCCF, which contained a single full-sized project under the SCCF Adaptation Program (SCCF-A) (GEF/LDCF.SCCF.15/04). The project is a US\$5.475 project in Antigua and Barbuda, to build climate resilience through innovative financing mechanisms for climate change adaptation.

**Decision:** The LDCF/SCCF Council approved the Work Program, subject to comments made during the Council meeting and additional written comments to be submitted to the Secretariat by 21 November 2013. The Council also agreed that, with respect to the PIFs approved as part of the

Work Program, each PIF "is, or would be, consistent with the Instrument and GEF policies and procedures" and "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 STAP reviewer's comments on the work program, and that the CEO confirms that with these revisions the project continues to be consistent with the Instrument and GEF policies and procedures."

### **DRAFT GEF PROGRAMMING STRATEGY ON ADAPTATION TO CLIMATE CHANGE FOR THE LDCF AND SCCF**

The Secretariat introduced the *Draft GEF Programming Strategy on Adaptation to Climate Change for the Least Developed Countries Fund and the Special Climate Change Fund* (GEF/LDCF.SCCF.15/Inf.02), noting that this report had been presented during the talks on GEF-6. The Secretariat explained that the strategy is based on a value proposition that recognizes that climate change affects all aspects of human, social and economic development, and that it sets a goal of increasing "resilience to the adverse impacts of climate change in vulnerable developing countries, through both near- and long-term adaptation measures in affected sectors, areas and communities; leading to a reduction of expected socio-economic losses associated with climate change and variability." He further explained that the strategy notes the emerging mechanisms and areas for innovation related to enhanced private sector engagement, risk transfer and insurance and ecosystem-based adaptation.

Comments on the presentation included a suggestion to create a common project tracking mechanism. One Council member questioned the need for separate references to a long-term pillar. Another Council member noted that the thematic programming priorities and funding scenarios were ambitious and asked if they were realistic.

The Secretariat requested that additional, written comments be submitted by 15 January 2014.

### **OTHER BUSINESS**

Under this agenda item, Finland announced contributions of EUR 3.65 million for the LDCF, and EUR 1.9 million to the SCCF-A.

The Evaluation Office highlighted that OPS5, which will be published soon, includes work on adaptation.

## **JOINT SUMMARY OF THE CHAIRS AND CLOSING**

On Thursday afternoon, 7 November, Council Members received a draft Joint Summary of the Chairs for both the GEF Council meeting and the LDCF/SCCF Council meeting, which included the decisions they had adopted during the meetings.

The Council member from the Russian Federation questioned why, under the decision on the Work Program, a GEF project with WWF-US on the Conservation of Big Cats stipulated that, until a Financial Procedures Agreement is signed between the Trustee and the WWF-US, the Trustee will not set aside GEF resources for the project and fees for WWF-US. The Council member from Japan explained that, since this was the first GEF project for WWF-US, these conditions had been stipulated to ensure that everything goes according to plan.

Co-Chair Perez Villaseñor thanked the participants for their engagement in the meeting's agenda. Ishii expressed appreciation for an "innovative, inspiring and assuring meeting," noting the hard work required "to maximize the partnership assets." She closed the meeting at 1:52pm





Naoko Ishii, GEF CEO and Chairperson, during the closing session

## UPCOMING MEETINGS

**UNFCCC COP 19:** The 19th session of the Conference of the Parties (COP 19) to the UNFCCC and the ninth session of the Conference of the Parties serving as the Meeting of the Parties to the Kyoto Protocol (CMP 9) will convene in Warsaw, Poland, in conjunction with meetings of the subsidiary bodies. **dates:** 11-22 November 2013 **location:** Warsaw, Poland **contact:** UNFCCC Secretariat **phone:** +49-228-815-1000 **fax:** +49-228-815-1999 **e-mail:** secretariat@unfccc.int **www:** <http://www.unfccc.int>

**UNEP Finance Initiative 2013 Global Roundtable:** The UNEP Finance Initiative 2013 Global Roundtable will convene under the theme “Financing the Future We Want: China, Emerging Markets and the World Economy,” and aims to galvanize action on sustainable finance. **dates:** 12-13 November 2013 **location:** Beijing, China **contact:** Mengqi Cai **e-mail:** grt@unepfi.org **www:** <http://unepfi.org/grt/2013/>

**IPBES-2:** The second meeting of the Intergovernmental Platform on Biodiversity and Ecosystem Services (IPBES) will address, *inter alia*: the initial work programme of the Platform; financial and budgetary arrangements for the Platform; and rules and procedures for the operations of the Platform, including for the Multidisciplinary Expert Panel. **dates:** 9-14 December 2013 **venue:** Rixos Sungate Hotel **location:** Antalya, Turkey **contact:** UNEP Secretariat **e-mail:** ipbes.unep@unep.org **www:** <http://www.ipbes.net>

**Third Meeting of the Sixth Replenishment of the Global Environment Facility (GEF-6):** Representatives from donor countries, non-donor recipient countries, civil society, GEF Agencies, the Trustee, STAP, and the GEF Independent Evaluation Office are expected to attend this event. **dates:** 10-12 December 2013 **location:** Paris, France **contact:** GEF Secretariat **phone:** +1 202 473 0508 **fax:** +1 (202) 522-3240 **e-mail:** secretariat@thegef.org **www:** <http://www.thegef.org/gef/events/third-replenishment-meeting>

**ICNP 3:** The third meeting of the *Ad Hoc* Open-ended Intergovernmental Committee for the Nagoya Protocol on Access and Benefit-sharing of the CBD is expected to address, *inter alia*, issues related to compliance, a global multilateral benefit-sharing mechanism, the ABS clearing-house, and monitoring and reporting, and will exchange views on the state of implementation of the Protocol as well as on sectoral and cross-sectoral model contractual clauses, codes of conduct and guidelines. **dates:** 24-28 February 2014 **location:** Pyeongchang, Republic of Korea **contact:**

CBD Secretariat **phone:** +1-514- 288-2220 **fax:** +1-514-288-6588 **email:** secretariat@cbd.int **www:** <http://www.cbd.int/doc/?meeting=ICNP-03>

**UNPFII 13:** The UN Permanent Forum on Indigenous Issues will hold its 13th session on the theme “Principles of good governance consistent with the United Nations Declaration on the Rights of Indigenous Peoples: Articles 3 to 6 and 46(3).” **dates:** 12-23 May 2014 **location:** UN Headquarters, New York **contact:** Nilla Bernardi **phone:** +1-212-963-8379 **fax:** +1-917-367-5102 **email:** bernardi@un.org **www:** <http://social.un.org/index/IndigenousPeoples.aspx>

**46th Meeting of the GEF Council and GEF Assembly:** The GEF Assembly will be held back-to-back with the 46th Meeting of the GEF Council. The CSO Consultation, GEF Council and LDCF/SCCF Council Meetings will convene from 25-27 May, with the Council meeting beginning on 25 May and overlapping for half a day, on 27 May, with the CSO Consultation. The Assembly will convene from 28-30 May. The GEF Council meets twice a year, while the Assembly meets every four years to take major decisions, including endorsement of the next four-year GEF replenishment package. **dates:** 25-30 May 2014 **location:** Cancun, Mexico **contact:** GEF Secretariat **phone:** +(202) 473-0508 **fax:** +(202) 522-3240/3245 **e-mail:** secretariat@thegef.org **www:** <http://www.thegef.org/gef/home>

## GLOSSARY

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| AMR    | Annual Monitoring Report                       |
| CBD    | Convention on Biological Diversity             |
| COP    | Conference of the Parties                      |
| CSO    | civil society organization                     |
| GEF    | Global Environment Facility                    |
| GEF-5  | fifth replenishment of the GEF Trust Fund      |
| GEF-6  | sixth replenishment of the GEF Trust Fund      |
| LDCF   | Least Developed Countries Fund                 |
| LDCs   | least developed countries                      |
| MEA    | multilateral environmental agreement           |
| NGO    | nongovernmental organization                   |
| NPFE   | National Portfolio Formulation Exercise        |
| OPSS   | Fifth Overall Performance Study                |
| PIF    | Project Identification Form                    |
| PPP    | purchasing power parity                        |
| RAF    | Resource Allocation Framework                  |
| SCCF   | Special Climate Change Fund                    |
| SDGs   | Sustainable Development Goals                  |
| SFM    | sustainable forest management                  |
| SIDS   | small island developing States                 |
| STAP   | Scientific and Technical Advisory Panel        |
| STAR   | System for Transparent Allocation of Resources |
| UNCCD  | UN Convention to Combat Desertification        |
| UNDP   | UN Development Programme                       |
| UNEP   | UN Environment Programme                       |
| UNFCCC | UN Framework Convention on Climate Change      |
| WWF-US | World Wildlife Fund, Inc.                      |