



Global Environment Facility

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Dear GEF Operational Focal Point,

I am pleased to be writing to you as the new CEO and Chairperson of the GEF. I look forward to working with you in the months and years ahead to meet our common goal of delivering global environmental benefits while achieving national sustainable development objectives.

As we are entering the GEF-4 period, I am writing to you about our next steps on implementing the Resource Allocation Framework (RAF) that was agreed by the GEF Council in September 2005. You have received two letters from the GEF Secretariat between March and May of this year on this subject. I understand that a number of you have requested further clarification on some issues associated with the RAF. While this letter is not intended to address all the questions that have been raised, I would like to clarify a few points.

I am happy to inform you that we are very close to a conclusion on the fourth replenishment of the GEF Trust Fund. As soon as this is completed, we will inform you of the final indicative allocations applicable to your country.

Meanwhile, we would suggest that you continue your consideration of national priorities for GEF financing based on the *Guidelines for Country Operational Focal Points to Manage GEF Resources* that were distributed to you as part of our earlier communications.
http://www.thegef.org/operational_policies/raf/implementation.html

As we embark on implementing the RAF in the biodiversity and climate change focal areas, I would like to emphasize some key features with regard to the system.

- (a) The RAF will:
 - (i) improve predictability regarding availability of resources to countries;
 - (ii) provide a framework for countries to program these resources in accordance with national priorities; and
 - (iii) enhance transparency by specifying a well-defined and publicly disclosed method for allocating GEF resources.

- (b) Allocations are indicative resource envelopes that may be available to a country. They are not entitlements.
- (c) All project proposals will have to:
 - (i) be consistent with the GEF's focal area strategic objectives;
 - (ii) meet GEF's project review criteria; and
 - (iii) be approved in accordance with the GEF project cycle procedures.

Some of you have also requested clarification regarding the September 15, 2006, target date, mentioned in earlier communications, for endorsement of project concepts. I would like to stress that this target date is applicable only for those proposals that are sufficiently advanced in their preparations that you would like us to consider for inclusion in a possible December 2006 work program. We expect this work program to be modest compared to the June 2006 work program, which was exceptional. Moreover, as the December 2006 work program is the first one that will be subject to the RAF, we will take extra care in reviewing all the submitted proposals.

As GEF-4 progresses, we expect to continue to receive your priority proposals with your endorsements through the Implementing and Executing Agencies as and when they are ready for inclusion in the GEF pipeline. Some of the concepts may already be in the pipeline, and need to be re-endorsed by you, while others may be new project concepts. To facilitate this, we shall communicate to you a schedule of periodic reviews for pipeline entry of concepts during GEF-4.

As we review your proposals, the Secretariat will communicate with you to ensure that your proposals not only meet the strategic objectives in each GEF focal area, but also address your national priorities.

If you require any further clarification, please do not hesitate to contact us.

Yours sincerely,



Monique Barbut
CEO & Chairperson