

Global Environment Facility

March 21, 2005

NOTE ON THE GEF COUNCIL CONSULTATIONS ON THE RESOURCE ALLOCATION FRAMEWORK

MARCH 2-3, 2005

As agreed at the Council meeting held in November 2005, the GEF Secretariat organized a consultation among Council Members on the Resource Allocation Framework (RAF). These consultations were held at the World Bank conference center in Paris on March 2-3, 2005.

Mr. Leonard Good, CEO and Chairman of the GEF, in welcoming the participants, emphasized the need for an agreement on the RAF to be reached by the Council prior to the start of discussions on the fourth replenishment. He expressed his hope that significant progress in reaching a consensus position would be achieved at the consultations and in the weeks ahead leading to the June 2005 Council meeting.

The GEF Secretariat made a brief presentation outlining the three main structural issues that remained to be resolved in the RAF:

- (a) The trigger the timing for applying a resource allocation framework;
- (b) The content (and associated public disclosure rules) of the country performance indicator; and
- (c) The share of RAF resources allocated to individual countries and groups.

The Secretariat also noted the issue of arrears.

Following a brief discussion on the presentation, the participants organized themselves for informal discussions. As a result of these informal consultations, one group of participants prepared a non-paper as a basis to advance thinking on the issues outlined by the Secretariat. This non-paper is posted on the GEF website, www.TheGEF.org.

In closing the consultations, the CEO expressed the view that significant progress had been made with reference to the "trigger" issue identified in para 3(a) and that more progress was still required to reach a consensus on the other two issues. He called upon the participants to

continue discussions amongst themselves with a view to reaching final agreement at the June Council meeting, and offered the services of the Secretariat to facilitate such interactions and consultations. He closed the meeting expressing his confidence that the Council would agree on a RAF at the June 2005 Council meeting.