



GLOBAL ENVIRONMENT FACILITY  
INVESTING IN OUR PLANET

# THE **A** TO **Z** OF THE GEF

A GUIDE TO THE GLOBAL ENVIRONMENT FACILITY





# Table of Contents

<b>Foreword</b>	<b>3</b>
<b>List of Acronyms</b>	<b>5</b>
<b>The Global Environment Facility</b>	<b>7</b>
<i>Evolution and Scope of the GEF</i>	8
<i>The Structure of the GEF</i>	10
<i>The Assembly</i>	10
<i>The Council</i>	10
<i>The Secretariat</i>	11
<i>The GEF Trustee</i>	12
<i>The GEF Agencies</i>	12
<i>The Scientific and         Technical Advisory Panel</i>	15
<i>The Independent Evaluation Office</i>	15
<i>GEF Focal Points</i>	15
<i>Civil Society Organizations</i>	16
<i>Adaptation Fund</i>	16
<i>GEF-Administered Funds</i>	16
<i>GEF Trust Fund</i>	16
<i>Special Climate Change Fund</i>	17
<i>Least Developed Countries Fund</i>	17
<i>Adaptation Fund</i>	17
<b>The GEF 2020 Strategy</b>	<b>19</b>
<i>The GEF's Vision for 2020</i>	20
<i>Priorities of Action</i>	20
<i>The GEF 2020 in Action in GEF-6</i>	21
<b>Strategies to Protect the Global Environment</b>	<b>23</b>
<i>GEF-6 Focal Area Strategies</i>	24
<i>Biodiversity</i>	24
<i>Climate Change Mitigation</i>	27
<i>Climate Change Adaptation</i>	28
<i>Land Degradation</i>	28
<i>International Waters</i>	30
<i>Chemicals and Waste</i>	31
<i>Sustainable Forest Management</i>	32
<i>Cross-cutting Capacity Development</i>	33
<i>Integrated Approach Pilots</i>	34
<i>Non-Grant Instruments Pilot</i>	35

<b>How to Access GEF Projects and Programs</b>	<b>37</b>	<b>Measuring Results</b>	<b>71</b>
Step-by-Step Process to Access GEF Financing	40	Project Level Results	72
Full-sized Projects	40	Focal Area Level Results	72
Medium-sized Projects	44	Corporate Level Results	72
Enabling Activities	46	Gender Indicators	73
Programs	47	<b>Generating and Sharing Knowledge</b>	<b>75</b>
<b>The GEF Small Grants Programme: Empowering Communities for Global Impact</b>	<b>51</b>	Knowledge Management Products and Initiatives	76
The Unique Nature of the GEF SGP	51	<b>Consolidating Multi-stakeholder Coordination</b>	<b>79</b>
A Glimpse into the GEF SGP	52	GEF National Portfolio Formulation Exercises	80
SGP Global Initiatives for GEF-6	54	GEF National Dialogues	80
How to Access SGP Funding	54	GEF Workshops	80
<b>Key Policies and Guidelines for GEF Interventions</b>	<b>57</b>	GEF Introduction Seminars	81
Incremental Costs	57	GEF Constituency Meetings	81
Co-financing	58	Pre-Council Meeting for Developing Country Constituencies	81
Public Involvement in GEF-financed Projects	59	<b>Building Partnerships with Civil Society</b>	<b>83</b>
Indigenous Peoples	60	CSO Partnership in GEF-funded Projects	83
Gender Mainstreaming	60	CSO Partnership in Policy Advocacy	84
Monitoring and Evaluation	62	Indigenous Peoples	85
Non-Grant Instruments	63	Opportunities for CSO Participation and Partnership	85
Cancellation of Projects and Uncommitted Program Funds	63	<b>Engaging with the Private Sector</b>	<b>87</b>
Minimum Standards on Environmental and Social Safeguards	64	The Role of the Private Sector in the Integrated Approach Pilots	89
<b>Evaluating Impact</b>	<b>67</b>	The Role of the Private Sector in the Non-Grant Instruments Pilot	90
Evaluations and Studies	68	Private Sector Mainstreaming	90



# Foreword



**Naoko Ishii**  
CEO and Chairperson  
Global Environment Facility

The recently adopted Sustainable Development Goals (SDGs) recognize that we are pushing the earth to its limits—its planetary boundaries—and an urgent, coordinated approach is needed to respond to the environment and development challenges before us.

The Global Environment Facility (GEF) is uniquely placed to support the health of the global commons, the planet's finite environmental resources, from land and forests to oceans and the atmosphere, that is essential for a thriving world.

To achieve greater impact at scale, we need to address the underlying drivers of environmental degradation by delivering integrated, holistic, solutions. The GEF's wide network of partners is at the center of our ability to do this.

For more than twenty years, the GEF has provided support to over 165 countries in collaboration with a multitude of local and international partners. From national governments to local communities, the private sector and civil society organizations and indigenous peoples, finding and implementing shared solutions to global environmental challenges has proven to be an effective way to maximize the impact of GEF financed activities.

For the current project cycle, GEF-6, our aim is to build on this success in order to protect the planet and help alleviate poverty.

This guide contains comprehensive information about how to work with the GEF. It details the functioning of the GEF, its strategy and vision for 2020 and beyond, the new programming directions to be supported, the modalities and opportunities available, as well as other key elements, for partners to effectively and actively contribute to global environmental protection with GEF support.

I look forward to working with all partners to deliver integrated solutions, foster innovation, and establish multi-stakeholder coalitions in order to help the GEF family achieve even greater impact.



## LIST OF ACRONYMS

<b>ABS</b>	Access and Benefit Sharing	<b>LME</b>	Large Marine Ecosystem
<b>ADB</b>	Asian Development Bank	<b>LULUCF</b>	Land Use, Land-use Change, and Forestry
<b>AfDB</b>	African Development Bank	<b>MEAs</b>	Multi-lateral Environmental Agreements
<b>ASGM</b>	Artisanal and Small Scale Gold Mining	<b>M&amp;E</b>	Monitoring and Evaluation
<b>BD</b>	Biodiversity	<b>MSPs</b>	Medium-sized Projects
<b>BURs</b>	Biennial Update Reports	<b>NAMAs</b>	Nationally Appropriate Mitigation Actions
<b>CBD</b>	Convention on Biological Diversity	<b>NAPAs</b>	National Adaptation Programs of Action
<b>CBO</b>	Community Based Organization	<b>NGO</b>	Non-Governmental Organization
<b>CCCD</b>	Cross-Cutting Capacity Development	<b>NSC</b>	National Steering Committee
<b>CCM</b>	Climate Change Mitigation	<b>OPF</b>	Operational Focal Point
<b>CI</b>	Conservation International	<b>OP</b>	Operational Phase
<b>CEO</b>	Chief Executive Officer	<b>PCR</b>	Physical Cultural Resources
<b>COP</b>	Conference of the Parties	<b>PFD</b>	Program Framework Document
<b>CPMT</b>	Central Programme Management Team	<b>PIF</b>	Project Identification Form
<b>CPS</b>	Country Programme Strategy	<b>POPs</b>	Persistent Organic Pollutants
<b>CSO</b>	Civil Society Organization	<b>SAPs</b>	Strategic Action Programs
<b>CW</b>	Chemicals and Waste	<b>SCCF</b>	Special Climate Change Fund
<b>DBSA</b>	Development Bank of Southern Africa	<b>SFM</b>	Sustainable Forest Management
<b>ECW</b>	Expanded Constituency Workshop	<b>SGP</b>	Small Grants Programme
<b>EBRD</b>	European Bank for Reconstruction and Development	<b>SIDS</b>	Small Island Developing States
<b>FPIC</b>	Free, Prior and Informed Consent	<b>SLM</b>	Sustainable Land Management
<b>GEB</b>	Global Environmental Benefits	<b>SME</b>	Small and Medium Enterprise
<b>IADB</b>	Inter-American Development Bank	<b>STAP</b>	Scientific and Technical Advisory Panel
<b>IAP</b>	Integrated Approach	<b>STAR</b>	System for Transparent Allocation of Resources
<b>IAS</b>	Invasive Alien Species	<b>TNAs</b>	Technology Needs Assessments
<b>IFAD</b>	International Fund for Agricultural Development	<b>TDA</b>	Transboundary Diagnostic Analyses
<b>IPAG</b>	Indigenous Peoples Advisory Group	<b>UNCCD</b>	United Nations Convention to Combat Desertification
<b>IUCN</b>	International Union for Conservation of Nature	<b>UNDP</b>	United Nations Development Programme
<b>IW</b>	International Waters	<b>UNEP</b>	United Nations Environment Programme
<b>FAO</b>	United Nations Food and Agriculture Organization	<b>UNFCCC</b>	United Nations Framework Convention on Climate Change
<b>FAS</b>	Focal Area Set-aside	<b>UNIDO</b>	United Nations Industrial Development Organization
<b>FSPs</b>	Full-sized Projects	<b>WWF-US</b>	World Wildlife Fund
<b>FUNBIO</b>	Fundo Brasileiro para a Biodiversidade		
<b>GEF</b>	Global Environment Facility		
<b>GHG</b>	Greenhouse Gas		
<b>LD</b>	Land Degradation		
<b>LDCF</b>	Least Developed Countries Fund		
<b>LDCs</b>	Least Developed Countries		







# The Global Environment Facility: An Overview

The Global Environment Facility (GEF) is an international partnership to address the protection of the global environment.

As an independent mechanism for international cooperation, the GEF's purpose is to support developing countries by providing grants or concessional funding with the purpose of meeting the agreed incremental costs of measures to achieve agreed global environmental benefits<sup>1</sup>. This means that the GEF only funds the additional—or incremental—costs of activities that generate benefits to the global environment in biodiversity, climate change, land degradation, international waters, and chemicals and waste. GEF projects and programs address global environmental challenges while promoting national sustainable development initiatives.

The GEF serves the United Nations Convention on Biological Diversity (CBD), the Framework Convention on Climate Change (UNFCCC), and the Stockholm Convention on Persistent Organic Pollutants (POPs), the United Nations Convention to Combat Desertification (UNCCD) and the Minamata Convention on Mercury by financing the activities that developing countries undertake to fulfil their commitments under these conventions.

By uniting 183 member countries, the GEF is a unique partnership of governments, international institutions, civil society organizations (CSOs) and the private sector to undertake actions to protect the global environment.

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<sup>1</sup> Instrument for the Establishment of the Restructured Global Environment Facility, Article 2

## BOX 1: The History of the GEF

The Global Environment Facility started as a response to the concerns from the international community for global environmental issues.

The GEF was established in 1991 as a pilot program to assist in the protection of the global environment. The United Nations Development Programme, the United Nations Environment Programme and the World Bank were the three initial partners implementing GEF projects.

In 1992, the United Nations Conference on Environment and Development, held in Rio de Janeiro, Brazil, adopted the Biodiversity and Climate Change Conventions. It was then agreed by its Participants that the GEF would provide support for developing countries to meet their obligations under these global conventions.

In 1994, the GEF was restructured to become an independent organization. The Instrument for the Establishment of the Restructured Global Environment Facility was adopted, describing the governance, operational, financial and administrative oversight procedures for the Facility. A key element adopted in its restructuring was the involvement of developing countries in the decision-making process. As part of the restructuring, the GEF was entrusted to finance the implementation of activities in developing countries under the United Nations Convention on Biological Diversity and the United Nations Framework Convention on Climate Change. The GEF was subsequently requested to provide support for initiatives under the Stockholm Convention on Persistent Organic Pollutants in 2001, the United Nations Convention to Combat Desertification in 2003 and the Minamata Convention on Mercury in 2013.

Since its inception in 1991 as a pilot program, the GEF has evolved into an effective and transparent entity with a solid, outcomes-driven track record (see Box 1).

The GEF partnership includes 18 Agencies: the Asian Development Bank (ADB), the African Development Bank (AfDB), the *Banque Ouest Africaine de Développement* (BOAD), the Development Bank of Latin America (CAF), Conservation International (CI), the Development Bank of Southern Africa (DBSA), the European Bank for Reconstruction and Development (EBRD), the United Nations Food and Agriculture Organization (FAO), the Foreign Economic Cooperation Office, Ministry of Environmental Protection of China (FECO), the *Fundo Brasileiro para a Biodiversidade* (FUNBIO), the Inter-American Development Bank (IADB), the International Fund for Agricultural Development (IFAD), the International Union for Conservation of Nature (IUCN), the United Nations Development Programme (UNDP), the United Nations Environment Programme (UNEP), the United Nations Industrial Development Organization (UNIDO), the World Bank and the World Wildlife Fund (WWF-US).

## Evolution and Scope of the GEF

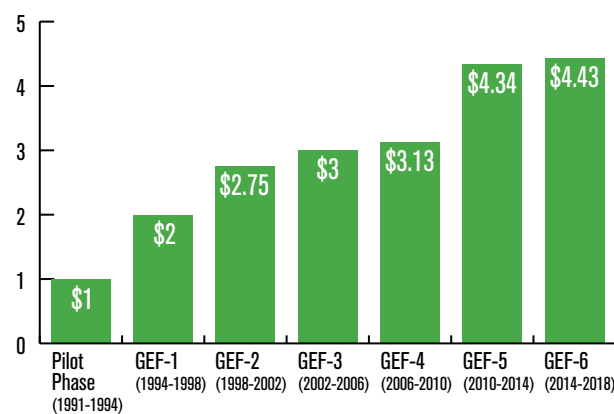
Through its unique partnership with governments, international organizations, civil society and the private sector, the GEF has built a global network to protect the global environment.

Since 1991, the GEF Trust Fund has provided \$13.5 billion in grants and leveraged \$65 billion in co-financing for more than 3,900 projects in 165 developing countries. In addition, the GEF has provided more than 19,000 grants to community-based organizations through its Small Grants Programme for a total of \$1 billion.

The funding with which the GEF supports projects is contributed by donor countries. These financial contributions are replenished every four years. In 1991, the initial contribution of \$1 billion for the Pilot Phase has significantly been increased to \$4.43 billion for the GEF-6 cycle. Overall, since its inception, donor contributions have totaled more than \$20 billion for global environmental projects (see Figure 1).

FIGURE 1 GEF REPLENISHMENT CYCLES

(in billion dollars)



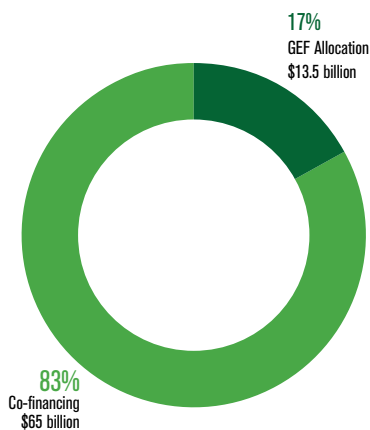
The GEF plays a catalytic role in protecting the global environment. The leveraging effect of GEF funds has generated significant levels of co-financing. Since 1991, 17 percent (\$13.5 billion) of GEF investments leveraged 83 percent of co-financing (\$65 billion) from other sources—a 1 to 5 ratio (see Figure 2).

The sources of co-financing are as diverse as the partnerships the GEF fosters. Governments and multilateral agencies contributed substantial shares, with 33 and 23 percent respectively, since 1991. The private sector has increasingly become a significant contributing partner, accounting for 16 percent of the co-financing. GEF Agencies and bilateral agencies contribute a significant share of the co-financing, with nine and six percent respectively. Contributions from CSOs have also been important—CSOs and beneficiaries, including in-kind contributions, account for three percent combined of the total co-financing for GEF activities since 1991 (see Figure 3).

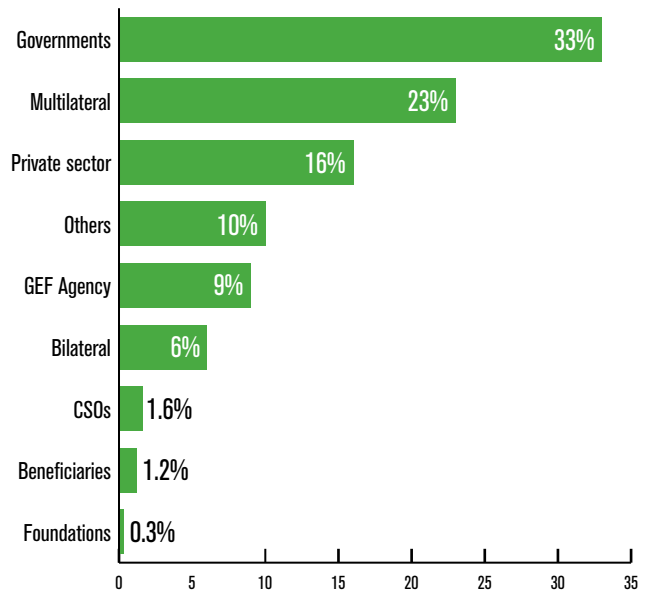
An analysis of the GEF investments shows the predominance of climate change and biodiversity projects, with 31 and 29 percent respectively, since 1991. The investments in multi-focal areas (those combining more than one focal area) and international waters have also been significant, with 18 and 11 percent respectively. In 2002, land degradation and persistent organic pollutants (POPs) were added as focal areas to the portfolio, accounting for six and four percent respectively since then. Activities related to ozone depletion are limited to countries with economies in transition in Central and Eastern Europe and the former Soviet Union, and account for two percent of the GEF investments (see Figure 4).

The regional breakdown of GEF resources shows that Asia accounts for the largest share, with 27 percent; followed by Africa and Latin America and the Caribbean, with 22 and 21 percent respectively. Global initiatives as well as projects in Europe and Central Asia region account for 14 and 13 percent respectively, while regional efforts make up three percent of the investments since 1991 (see Figure 5).

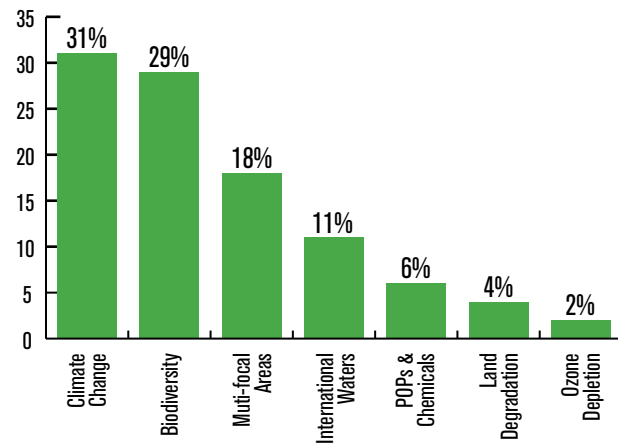
**FIGURE 2 GEF ALLOCATIONS AND CO-FINANCING: 1991-2014**



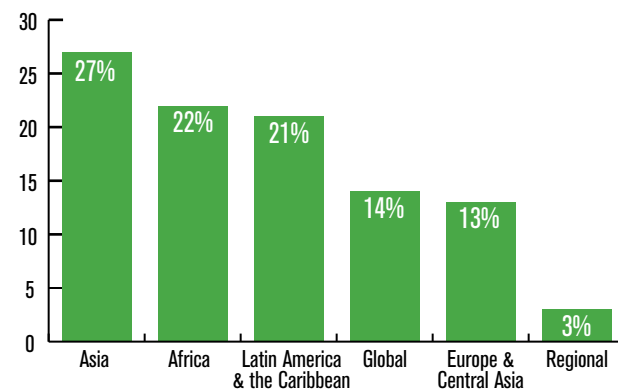
**FIGURE 3 SOURCES OF GEF CO-FINANCING: 1991-2014**



**FIGURE 4 GEF ALLOCATIONS BY FOCAL AREA: 1991-2014**



**FIGURE 5 GEF ALLOCATIONS BY REGION: 1991-2014**





## The Structure of the GEF

To fulfill its mandate to provide financing for activities that generate global environmental benefits, the GEF partnership has a unique structure. Its governing structure is composed of the Assembly, the Council, the Secretariat, the GEF Agencies, a Scientific and Technical Advisory Panel (STAP) and the Independent Evaluation Office (see Figure 6).

The Conference of the Parties (COP) from the Conventions the GEF serves provides strategic guidance to the Council.

The close interaction among these actors ultimately results in the implementation of projects and programs. These on-the-ground actions are implemented through a partnership of national stakeholders, under the coordination of the Operational Focal Point (OFP) in each country.

### THE ASSEMBLY

The GEF Assembly is composed of all 183 member countries, or Participants. It meets every three to four years at the ministerial level to:

1. Review the general policies.
2. Review and evaluate the operation of the GEF on the basis of reports submitted by the Council.
3. Keep under review the membership of the Facility.
4. Consider, for approval by consensus, amendments to the *Instrument for the Establishment of the Restructured Global Environment Facility* (the

document that sets the rules by which the GEF operates) on the basis of recommendations by the Council.

### THE COUNCIL

The GEF Council is the main governing body of the GEF comprising 32 Members appointed by constituencies of GEF member countries: 14 from developed countries, 16 from developing countries and two from countries of Central and Eastern Europe and the former Soviet Union (see Box 2). The constituencies are formulated and distributed taking into account the need for balanced and equitable representation of all Participants and giving due weight to the funding contributions of donors.

According to the *Instrument*, Council Members rotate every three years, or until a new Member is appointed by the constituency. Nevertheless, each constituency decides its own rotation procedures.

The Council meets bi-annually and is responsible for developing, adopting and evaluating the operational policies for GEF-financed activities, as well as reviewing and approving the work program (the projects and programs submitted for approval). Council decisions are made by consensus.

The contact information for Council Members and Alternates can be found on the GEF website<sup>2</sup>.

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2 [www.thegef.org/gef/Council\\_Members\\_Alternates](http://www.thegef.org/gef/Council_Members_Alternates)

### DEVELOPED COUNTRIES

1. Austria, Belgium, Czech Republic, Hungary, Luxembourg, Slovak Republic, Slovenia, Turkey
2. Australia, New Zealand, Republic of Korea
3. Azerbaijan, Kazakhstan, Kyrgyz Republic, Switzerland, Tajikistan, Turkmenistan, Uzbekistan
4. Canada
5. Denmark, Latvia, Lithuania, Norway
6. Estonia, Finland, Sweden
7. France
8. Germany
9. Greece, Ireland, Portugal, Spain
10. Italy
11. Japan
12. Netherlands
13. United States
14. United Kingdom

### DEVELOPING COUNTRIES

#### *Africa*

1. Algeria, Egypt, Morocco, Tunisia.
2. Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Zambia, Zimbabwe
3. Benin, Cote d'Ivoire, Ghana, Guinea, Liberia, Nigeria, Sierra Leone, Togo
4. Burkina Faso, Cape Verde, Chad, Guinea-Bissau, Mali, Mauritania, Niger, Senegal, and The Gambia
5. Burundi, Cameroon, Central African Republic, Congo, Congo DR, Equatorial Guinea, Gabon, Sao Tome and Principe
6. Comoros, Djibouti, Eritrea, Ethiopia, Kenya, Madagascar, Mauritius, Rwanda, Seychelles, Somalia, Sudan, South Sudan, Tanzania, Uganda

#### *Asia and the Pacific*

7. Afghanistan, Jordan, Iraq, Lebanon, Pakistan, Syria, Yemen
8. Bangladesh, Bhutan, India, Maldives, Nepal, Sri Lanka
9. Cambodia, Korea DPR, Lao PDR, Malaysia, Mongolia, Myanmar, Thailand, Vietnam
10. China
11. Cook Islands, Fiji, Indonesia, Kiribati, Marshall Islands, Micronesia, Nauru, Niue, Palau, Papua New Guinea, Philippines, Samoa, Solomon Islands, Timor Leste, Tonga, Tuvalu, Vanuatu
12. Iran

#### *Latin America and the Caribbean*

13. Antigua and Barbuda, Bahamas, Barbados, Belize, Cuba, Dominica, Dominican Republic, Grenada, Guyana, Haiti, Jamaica, St. Kitts and Nevis, St. Lucia, St. Vincent and Grenadines, Suriname, Trinidad and Tobago
14. Argentina, Bolivia, Chile, Paraguay, Peru, Uruguay.
15. Brazil, Colombia, Ecuador
16. Costa Rica, El Salvador, Guatemala, Honduras, Mexico, Nicaragua, Panama, Venezuela

### CENTRAL AND EASTERN EUROPE AND THE FORMER SOVIET UNION

1. Albania, Bulgaria, Bosnia-Herzegovina, Croatia, Georgia, Macedonia, Moldova, Montenegro, Poland, Romania, Serbia, Ukraine
2. Armenia, Belarus, Russian Federation

## THE SECRETARIAT

The Secretariat coordinates the overall implementation of GEF activities. It services and reports to the Assembly and the Council, to ensure that their decisions are translated into effective actions.

It is headed by the Chief Executive Officer (CEO)—Chairperson, who is appointed by the Council to serve for four years, and may be reappointed for a second term.

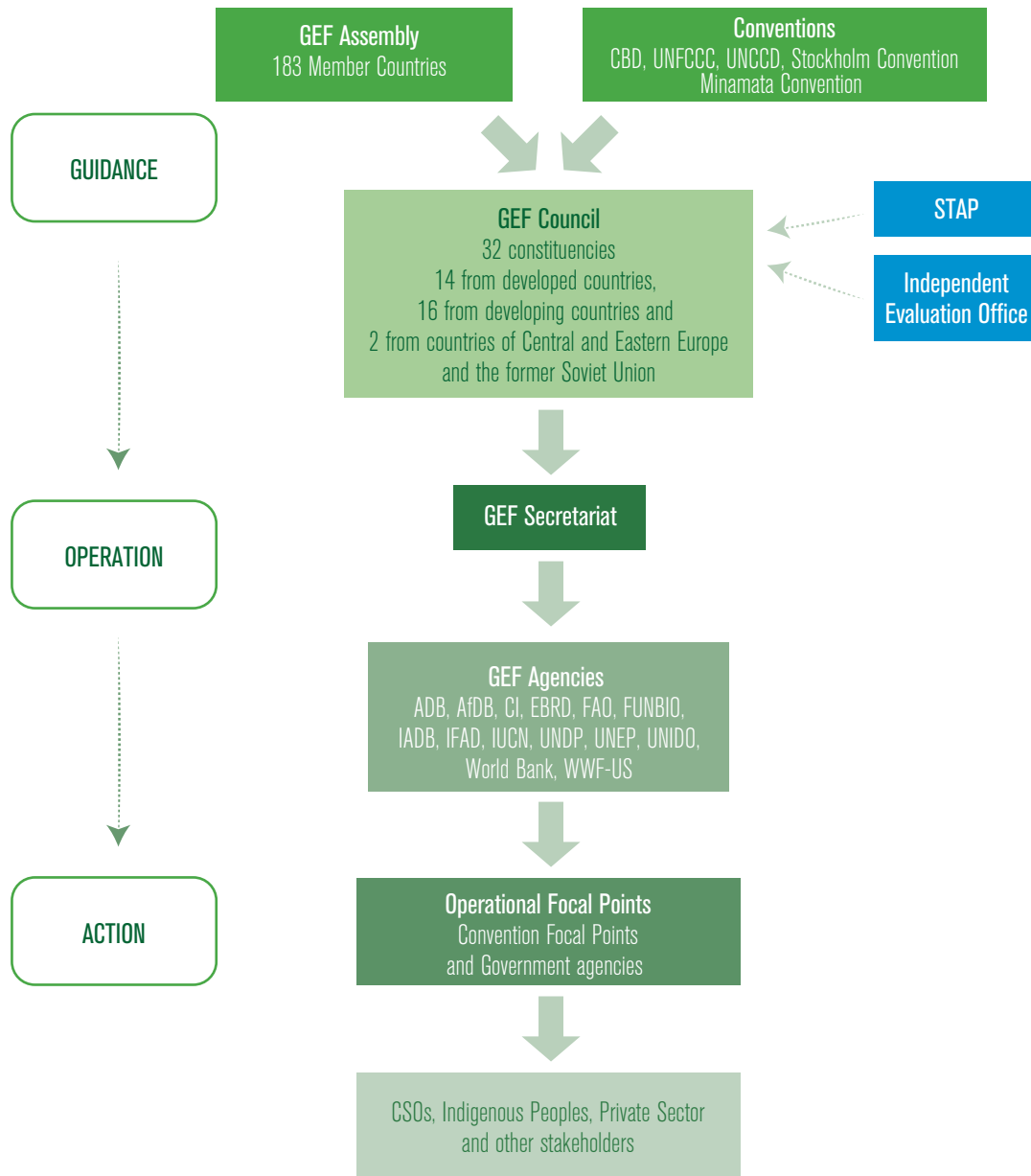
The Secretariat's main functions are to implement the decisions of the Assembly and the Council; coordinate the

formulation and oversee the implementation of program activities; ensure the implementation of the operational policies in consultation with the GEF Agencies; chair inter-agency group meetings; coordinate with the Secretariats of the Conventions; among others. These responsibilities are carried out by its staff, composed by various specialists<sup>3</sup>. In addition, a Conflict Resolution Commissioner<sup>4</sup> is responsible for facilitating feedback with countries, Agencies and other partners on issues that are relevant to the overall performance of the GEF.

<sup>3</sup> [https://www.thegef.org/gef/gef\\_staff](https://www.thegef.org/gef/gef_staff)

<sup>4</sup> [http://www.thegef.org/gef/conflict\\_resolution](http://www.thegef.org/gef/conflict_resolution)

FIGURE 6 ORGANIZATIONAL STRUCTURE OF THE GEF



### THE GEF TRUSTEE

The World Bank serves as the GEF Trustee, administering the GEF Trust Fund. Among its main responsibilities are the mobilization of resources for the Trust Fund; the financial management of the Trust Fund, the disbursement of funds to the GEF Agencies as well as the preparation of the financial reports regarding the investment and use of resources; and the monitoring of the application of budgetary and project funds.

The GEF Trustee is accountable to the GEF Council for the performance of its fiduciary responsibilities.

### THE GEF AGENCIES

The GEF Agencies are the operational arm of the GEF in project development and implementation. The Agencies work closely with project proponents –government agencies, CSOs, the private sector and other stakeholders— to design, develop and implement GEF-funded projects and programs.

Every Agency focuses their involvement in GEF projects and programs based on their respective **comparative advantages**. These are:



- **Asian Development Bank (ADB)**—promotes investment projects at the country and multi-country level in Asia, incorporating capacity development and technical assistance into its projects. The ADB has strong experience in the fields of energy efficiency, renewable energy, adaptation to climate change and natural resources management, including water and sustainable land management.
- **African Development Bank (AfDB)**—focuses on inclusive growth as well as the transition to green growth, as it recognizes that quality of growth is essential to address poverty in Africa. Its projects are related to three development pillars: building resilience, managing natural resources and creating sustainable infrastructure.
- **West African Development Bank (BOAD)**—promotes the balanced development of its member states and contributes to the achievement of economic integration in West Africa. They have funded public development projects in infrastructure to support production, rural development and food security, as well as operations including projects promoted by the private sector, public enterprises and financial institutions. The areas of intervention of the Bank are rural development, food security and environment, industry and agro-industry, infrastructure, transport, hospitality, finance and other services.
- **Development Bank of Latin America (CAF)**—a development bank created in 1970, made up by 19 countries—17 of Latin America and the Caribbean, Spain and Portugal—as well as 14 private banks in the region. It promotes a sustainable development model through credit operations, non-reimbursable resources, and support in the technical and financial structuring of projects in the public and private sectors of Latin America. They provide sustainable development and regional integration through an efficient mobilization of resources for a timely provision of multiple financial services, with high value added, to clients in the public and private sectors of the shareholder countries.
- **Conservation International (CI)**—works globally with governments and engages with all sectors of society to achieve the ultimate goal of improved human well-being, particularly focusing on the essential services that nature provides. As a GEF Project Agency, they leverage their science, experience in innovative finance and community-based solutions as well as their network of corporate, multilateral, civil society, national and local government partnerships to implement effective and innovative programs in the focal areas of Biodiversity, Climate Change Adaptation and Mitigation, Land Degradation and International Waters.
- **Development Bank of Southern Africa (DBSA)**—provides sustainable infrastructure project preparation, finance and implementation support in selected African markets to improve the quality of life of people, accelerating the sustainable reduction of poverty and inequity and promoting broad-based economic growth and regional economic integration. The primary sectors of focus to the DBSA are water, energy, information and communications technologies and transport.



- **European Bank for Reconstruction and Development (EBRD)**—works in market creation and transformation, and ensuring sustainability through private sector (including small and medium-sized enterprises) and municipal environmental infrastructure projects at the country and regional level in the countries of Eastern and Central Europe and Central Asia, especially in the fields of energy efficiency, mainstreaming of biodiversity and water management.
- **United Nations Food and Agriculture Organization (FAO)**—provides technical capacity and experience in fisheries, forestry, agriculture, and natural resources management. The FAO has strong experience in sustainable use of agricultural biodiversity, bioenergy, biosafety, sustainable development in production landscapes, and integrated pest and pesticides management.
- **Foreign Economic Cooperation Office, Ministry of Environmental Protection of China (FECO)**—founded in 1989 and is mandated to coordinate and manage the funds of projects in cooperation with international financial organizations for the implementation of multilateral environmental agreements (MEAs) and bilateral assistance, as well as other foreign cooperation activities in the field of environmental protection. In over 20 years of development, FECO gradually established a unique operation pattern focusing on the following focal areas: Implementation of Multilateral Environmental Agreements (MEAs); Bilateral and Multilateral Cooperation; Global Environmental Policy Studies; and International Consultancy Services. FECO has the mission to protect the environment by introducing and exporting advanced concepts, knowledge, technologies and funds.
- **Brazilian Biodiversity Fund (FUNBIO)**—promotes the implementation of the Convention on Biological Diversity, with the mission of providing strategic resources for biodiversity conservation. As a pioneer financial mechanism in Brazil, it creates solutions to the sustainability of conservation and climate change initiatives. FUNBIO has extensive experience in supporting Protected Areas and in the design and management of funds, programs, networks and environmental projects, in partnership with both public and private sectors and civil society.
- **Inter-American Development Bank (IADB)**—focuses on investment projects at the country and regional level in Latin America and the Caribbean. The IADB finances operations related to Biodiversity (protected areas, marine resources, forestry, biotechnology), Climate Change (including biofuels), International Waters (watershed management), Land Degradation (erosion control), and Chemicals (pest management).
- **International Fund for Agricultural Development (IFAD)**—works on issues related to land degradation, rural sustainable development, integrated land management. IFAD has been working intensively on marginal lands, degraded ecosystems and in post-conflict situations.
- **International Union for Conservation of Nature (IUCN)**—centers its work, at the global and local levels, on the conservation of biodiversity as a means to addressing some of the world's greatest challenges such as climate change, sustainable development and food security.
- **United Nations Development Programme (UNDP)**—specializes in technical assistance projects, assisting





countries in promoting, designing and implementing activities consistent with both the GEF mandate and national sustainable development plans. With a global network of country offices, UNDP's experience focuses on integrated policy development, human resources development, institutional strengthening, and non-governmental and community participation.

- **United Nations Environment Programme (UNEP)**—the only United Nations organization with a mandate derived from the General Assembly to coordinate the work of the United Nations in the area of environment and whose core business is the environment. UNEP provides the GEF with a range of relevant experiences, in particular by catalyzing the development of scientific and technical analysis and knowledge in advancing environmental management in GEF-financed activities. UNEP's expertise also includes serving as a broker in multi-stakeholder consultations.
- **United Nations Industrial Development Organization (UNIDO)**—involves the industrial sector in GEF projects in the following areas: industrial energy efficiency, renewable energy services, water management, chemicals management (including Chemicals and Ozone Depleting Substances), and biotechnology. UNIDO also has extensive knowledge of small and medium enterprises in developing countries as well as those with economies in transition.
- **The World Bank**—promotes the development and management of investment projects and mobilizes private sector resources. As a leading international financial institution at the global scale in a number of sectors, the World Bank has strong experience in

investment lending focusing on institution building, infrastructure development and policy reform, across all the focal areas of the GEF.

- **World Wildlife Fund (WWF-US)**—as a leading international conservation organization, WWF has significant expertise in financing action for environmental management. The strong and active relationships fostered with national and local governments, combined with effective partnerships with civil society, give WWF the knowledge necessary to tailor GEF projects to countries' specific needs.

## THE SCIENTIFIC AND TECHNICAL ADVISORY PANEL

The Scientific and Technical Advisory Panel (STAP) is an advisory body to the GEF, with the mandate to provide objective, strategic scientific and technical advice on policies, operational strategies, projects and programs.

The Panel consists of six members, who are internationally recognized experts in the GEF's key areas of work, and are supported by a global network of experts and institutions. Also, the STAP interacts with other relevant scientific and technical bodies, particularly with the subsidiary bodies of the Convention on Biological Diversity, the Framework Convention on Climate Change, the Convention to Combat Desertification and the Stockholm Convention on Persistent Organic Pollutants.

The STAP is supported by a Secretariat provided by UNEP, which also acts as its liaison with the GEF.



## THE INDEPENDENT EVALUATION OFFICE

The GEF Independent Evaluation Office is responsible for undertaking independent evaluations that involve a set of projects, usually focused on focal areas, institutional issues or cross-cutting themes. It also supports knowledge sharing (see Section 7).

The Independent Evaluation Office works independently from the Secretariat and reports directly to the Council. It is headed by a Director, appointed by the Council, who coordinates a team of specialized evaluators.

## GEF FOCAL POINTS

Each of the GEF member countries has designated government officials responsible for GEF activities. These officials, known as the GEF Focal Points, play a critical coordination role regarding GEF matters at country level, serving as the liaison with the Secretariat and the GEF Agencies and representing their constituencies at the GEF Council.

There are two types of GEF Focal Points—**Political Focal Points** and **Operational Focal Points**. Their functions and responsibilities are different. All of the GEF member countries have Political Focal Points, while only countries eligible for GEF support have Operational Focal Points.

The **GEF Political Focal Points** are mainly responsible for issues related to the GEF governance, including policies and decisions, and relations between member countries within their constituencies. Usually, the Political Focal Points are those who follow the Council discussions, and represent their countries at the Assembly.

The **GEF Operational Focal Points** are responsible for the operational aspects of GEF activities within their countries, including reviewing and endorsing project proposals to ensure consistency with national priorities, and facilitating GEF coordination, integration, and consultation at the country level. The complete list of the GEF Focal Points, including name, position, government agency and contact information is available in the GEF website<sup>5</sup>.

## CIVIL SOCIETY ORGANIZATIONS

Civil society organizations (CSOs) have been key partners in the GEF since its inception. Over time, the GEF-CSO partnership has strengthened, engaging a diversity of organizations: non-governmental organizations, community-based groups, indigenous peoples' organizations, women's groups, and research and academic institutions.

The skills, experience, and on-the-ground knowledge of the CSO community bring various and diverse types of contributions to the GEF—from identifying and implementing projects, providing co-financing, serving as a link between the national and local levels, to influencing its governance and decision-making process at the international level (see Section 11).

## PRIVATE SECTOR

As the main driver of economic activities, the private sector plays a critical role in global environmental protection, partnering with the GEF in the implementation of environmentally sustainable approaches and innovative technologies.

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5 [http://www.thegef.org/gef/focal\\_points\\_list](http://www.thegef.org/gef/focal_points_list)

The private sector includes a broad range of entities—from multinational corporations, large national firms and financial institutions to micro, small and medium enterprises. This engagement has generated mutual benefits, including access to new and innovative technologies, increasing efficiency in project delivery, operation and management, and the contribution of significant co-financing (see Section 12).

## GEF-Administered Funds

The GEF provides support for activities that protect the global environment through the different trust funds it administers. These are:

### GEF TRUST FUND

The GEF is, today, the world's largest public funder of projects and programs to benefit the global environment. These activities are funded through the GEF Trust Fund.

Through the GEF Trust Fund, support is provided for activities in biological diversity, climate change mitigation, land degradation, international waters, and chemicals and waste. The GEF Trust Fund (GEF) is replenished every four years, through contributions by donor countries.

### SPECIAL CLIMATE CHANGE FUND

The Special Climate Change Fund (SCCF) finances adaptation and technology transfer in all **developing country parties to the UNFCCC**. It provides support for the additional cost of adaptation to generate measurable adaptation benefits. The two funding priorities of the SCCF are:

- **Adaptation (SCCF-A)**, aimed at the implementation of adaptation activities in the following areas: water resources management; land management; agriculture; health; infrastructure development; fragile ecosystems and integrated coastal zone management. In addition, priority is given to the improvement of monitoring of diseases and vectors affected by climate change, and the support for capacity building, including institutional capacity, for preventive measures, planning, preparedness and management of disasters relating to climate change.
- **Technology Transfer (SCCF-B)**, focused on the transfer of environmentally sustainable technologies to reduce emissions or atmospheric concentrations of greenhouse gases, in line with the recommendations from the national communications to the UNFCCC, technology needs assessments (TNAs), and other relevant information. Activities that can receive support include

the implementation of the results of technology needs assessments; technology information; capacity-building for technology transfer; and enabling environments.

### LEAST DEVELOPED COUNTRIES FUND

The Least Developed Countries Fund (LDCF) addresses the urgent and immediate adaptation needs of the 51 Least Developed Countries that are especially vulnerable to the adverse impacts of climate change.

The LDCF provides support for the additional cost of adaptation to generate measurable adaptation benefits. The funding priority of the LDCF is financing the preparation and implementation of National Adaptation Programs of Action (NAPAs). Consistent with the findings of the NAPAs, the LDCF focuses on reducing the vulnerability of those sectors and resources that are central to development and livelihoods. These sectors include: water; agriculture and food security; health; disaster risk management and prevention; infrastructure; and fragile ecosystems.

### ADAPTATION FUND

The GEF also provides secretariat services, on an interim basis, for the Adaptation Fund.

The Adaptation Fund<sup>6</sup> supports adaptation projects and programs in developing countries that are Parties to the Kyoto Protocol and are particularly vulnerable to the adverse effects of climate change.

The Adaptation Fund is financed in part by government and private donors, but mainly from sales of Certified Emission Reductions issued under the Protocol's Clean Development Mechanism projects. It is supervised and managed by the Adaptation Fund Board.

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<sup>6</sup> <https://www.adaptation-fund.org>





# The GEF 2020 Strategy

For more than two decades, the GEF has been partnering with countries and other stakeholders to address global environmental issues while supporting national sustainable development initiatives. It has played a critical role in supporting innovative interventions that can deliver global environmental benefits, by providing financing and by convening multi-sectoral partnerships at the local, national, regional and global levels.

In the coming decades, pressures on the global environment are set to increase. In particular, three global socio-economic trends will intensify already dangerous pressures on the earth's ecosystems –population growth (increase in demand), the rising middle class (increase in the quality of consumption), and urbanization (environmental footprint).

Thus, to address growing environmental threats on a global scale, the GEF developed a strategy aimed at positioning the GEF for 2020 and beyond—the GEF 2020 Strategy.

The GEF 2020 Strategy sets a blueprint for key priorities and actions aimed at the drivers of environmental degradation, to be implemented in partnership with countries and other stakeholders through cost-effective, innovative and scalable interventions.

A comprehensive analysis of the current context in global environmental trends supports the need for the GEF to re-focus key priority actions across all the GEF's areas of work. The strategy also analyzes the capabilities and strengths of the GEF, including its versatility and adaptiveness to changing challenges; and its strong, diverse and expanding network of implementing partners, among others.



## The GEF's Vision for 2020

The GEF's vision for 2020 and beyond is to be a champion of the global environment by:

- **Addressing the drivers of environmental degradation.** The GEF will proactively seek out interventions that focus on the underlying drivers of global environmental degradation, and support coalitions that bring together partnerships of committed stakeholders around solutions to complex environmental challenges.
- **Supporting innovative and scalable activities.** The GEF will support innovative ways of doing business and focus on activities that are scalable across multiple countries, regions and sectors through policy, market or behavioral transformations.
- **Delivering the highest impacts, cost-effectively.** The GEF will keep a clear focus on maximizing the global environmental benefits it generates from its funding by pursuing cost-effective solutions to major environmental challenges.

## Priorities of Action

The GEF will pursue five strategic priorities to implement its 2020 vision:

1. **Addressing the drivers of environmental degradation**, to progressively reduce the impact of the original driver and thus increase the overall impact of interventions.

2. **Delivering integrated solutions**, since many global environmental challenges are interlinked and share common drivers. By targeting key drivers, the GEF can magnify the total effect of its investments, making them add up to more than the sum of their parts.
3. **Enhancing resilience and adaptation**, to seek integration and synergies with other efforts to improve the global environment.
4. **Ensuring complementarity and synergies** with other players and instruments, especially in climate finance.
5. **Focus on choosing the right influencing model** to achieve higher impact.

To effectively deliver on its priorities, the GEF will strengthen **key core operational principles**. The following key areas of action will be prioritized:

- **Mobilizing local and global stakeholders**, focusing on:
  - a. Forging close relationships with **national and local governments**, who in turn will play a key role in mobilizing national partners and establishing cross-country partnerships (see Section 10).
  - b. Further strengthening the engagement with the **private sector**, targeted to encourage the private sector to pursue commercially viable activities that also generate global environmental benefits (see Section 12).
  - c. Seeking a stronger engagement with **civil society organizations**, including indigenous peoples and



research institutions, to develop knowledge that will have impact on key drivers and jointly create a platform for actions (see Section 11).

- d. Continuing to strengthen its focus on **gender mainstreaming and women's empowerment**, conducting gender analysis and using gender sensitive indicators in GEF projects (see Section 6).
  - e. **Improving the efficiency of its operations**, to further streamline and expedite project processing times, involving countries, GEF agencies and the GEF Secretariat (see Section 4).
- **Strengthening Results Management systems**, giving special attention to:
- a. **Strengthening the results framework**, by focusing on a select set of core indicators to measure what matters for a more streamlined and effective results management system (see Section 8).
  - b. **Generating knowledge** for continuous learning. Lessons learned through GEF-funded interventions can guide other investments in those interventions beyond the GEF partnership that have the highest potential to deliver significant global environmental benefits (see Section 9).

## The GEF 2020 in Action in GEF-6

Three Integrated Approach pilots are being launched in GEF-6, based on the GEF 2020 strategy. These pilot programs aim at addressing some of the underlying drivers of environmental degradation through special focus on urbanization, deforestation and food security. The pilot programs will support activities that can help recipient countries meet commitments to more than one global environmental convention at a time. The Integrated Approach pilots are:

1. **Sustainable Cities—Harnessing Local Action for Global Commons**, targeted to developing integrated solutions to sustainable urban and territorial management.
2. **Taking Deforestation out of Commodity Supply Chains**, by working with national governments, producers, buyers and financial institutions to tackle some of the main drivers of forest loss.
3. **Fostering Sustainability and Resilience for Food Security in Sub-Saharan Africa**, aimed at leveraging existing investments in smallholder agriculture to safeguard ecosystem services in the production systems.

A detailed description of the Integrated Approach pilots can be found in Section 3.







# Strategies to Protect the Global Environment

As an evolving institution, the GEF continuously seeks to improve its effectiveness in supporting efforts for protecting the global environment and maximizing the use of its resources.

The focal area strategies guide the major approaches under which GEF resources are programmed. These strategies are the result of a review process to respond to evolving guidance from the Conventions the GEF serves, strategic guidance from its donors, findings of the Overall Performance Studies of the GEF (an assessment of the achievements in a replenishment cycle), as well as national priorities from recipient countries. The review process is done every four years, before every replenishment. The resulting strategies are agreed on by donors.

For the GEF-6 replenishment cycle<sup>7</sup>, new focal area strategies have been adopted for biodiversity, climate change mitigation, land degradation, international waters, and chemicals and waste. Also, a Sustainable Forest Management strategy addresses multiple focal areas; and a Cross-Cutting Capacity Development strategy supports activities in all focal areas. Activities undertaken in these focal areas will receive support from the GEF Trust Fund; while activities related to Climate Change Adaptation will be supported from the Special Climate Change Fund and the Least Developed Countries Fund (see Section 1). In addition, three cross-cutting Integrated Approaches and a non-grant instruments program will be piloted.

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<sup>7</sup> GEF-6 replenishment cycle: from July 1, 2014 to June 30, 2018

Each focal area strategy includes objectives and programs that prioritize the activities to receive support. Every program includes expected outcomes and indicators. A results framework sets the overall goal, impact, indicators and outcomes to be achieved for each focal area in GEF-6 (see Section 8).

The focal area strategies are articulated focal area by focal area. However, the GEF promotes synergies across focal areas in project development, design and implementation. This means that the GEF will prioritize those interventions that achieve greater impact, either by solely focusing on an objective of one focal area or combining objectives and focal areas –a multi-focal area project.

To ensure a fair, transparent and effective use of GEF resources, three focal areas –biodiversity, climate change mitigation and land degradation—will be covered under the System for Transparent Allocation of Resources (STAR) in GEF-6 (see Box 3).

## GEF-6 Focal Area Strategies

The GEF-6 focal area strategies have a strong focus on the drivers of environmental degradation to tackle root-causes, which are critical to slowing and eventually reversing environmental trends.

The main activities to be supported under each focal area are summarized below. The complete GEF-6 focal area strategies can be consulted on the GEF website<sup>8</sup>.

### BIODIVERSITY

The goal of the Biodiversity (BD) strategy is to maintain globally significant biodiversity and the ecosystem goods and services that it provides to society. The strategy prioritizes three principal direct drivers of biodiversity loss —habitat loss, overexploitation, and invasive alien species. The biodiversity strategy encompasses the following four objectives and ten programs:

#### *BD1. Improve Sustainability of Protected Area Systems*

*Program 1: Improving Financial Sustainability and Effective Management of the National Ecological Infrastructure Activities that will receive support:* the improvement of protected area financial sustainability and effective management; and the development and implementation

<sup>8</sup> <https://www.thegef.org/gef/GEF6-Programming-Directions>

### BOX 3: The STAR

The System for Transparent Allocation of Resources (STAR) is a system for allocating resources to countries in a transparent and consistent manner based on global environmental priorities and country capacity, policies and practices relevant to successful implementation of GEF projects. The main benefits of the STAR are the predictability of funding and the flexibility in programming, which contributes to country ownership of GEF projects and programs.

Under the STAR, each eligible country has an indicative allocation –the funding that a country can access for biodiversity, climate change mitigation and land degradation during the four-year cycle.

The indicative allocations per country are determined after the donors finalize their contributions to the GEF Trust Fund through the replenishment negotiations. Based on the agreed contribution for the four-year cycle, the amount of funding for biodiversity, climate change mitigation and land degradation is determined. From that amount, a pre-determined percentage of the resources available to each of the three focal areas under the STAR are set-aside. These set-asides are directed to cross-cutting programs such as global and regional projects, enabling activities and sustainable forest management. The remaining funds in each focal area are then allocated among eligible countries through the STAR. Each country's indicative allocation is determined by calculating the country score, which combines the Global Benefits Index for biodiversity, climate change and land degradation; the Country Performance Index; and the Gross Domestic Product Index.

The complete list of eligible countries and their respective indicative allocations for biodiversity, climate change and land degradation for GEF-6 can be reviewed on the GEF website<sup>9</sup>.

of comprehensive, system-level financing solutions. National policy reform and incentives to engage the private sector and other stakeholders in order to improve protected area financial sustainability and management will also be encouraged.

*Expected outcomes:* to increase revenue for protected area systems and globally significant protected areas in order to meet total expenditures required for management; and to improve the management effectiveness of protected areas.

<sup>9</sup> [https://www.thegef.org/gef/STAR/GEF6\\_country\\_allocations](https://www.thegef.org/gef/STAR/GEF6_country_allocations)

*Program 2: Nature's Last Stand: Expanding the Reach of the Global Protected Area Estate*

**Activities that will receive support:** the establishment and effective management of coastal and near shore protected area networks to increase the representation of globally significant marine ecosystems in protected area systems; and the creation of new protected areas to expand terrestrial and inland water ecosystem representation within protected area systems.

**Expected outcomes:** to increase the area of terrestrial and marine ecosystems and the number of threatened species protected in new protected areas; and to improve the management effectiveness of new protected areas.

## **BD2. Reduce Threats to Globally Significant Biodiversity**

*Program 3: Preventing the Extinction of Known Threatened Species*

**Activities that will receive support:** the strengthening of national legislation, institutions, and law enforcement to reduce poaching; the strengthening of science-based wildlife monitoring, education and awareness; and the reduction of the demand for illegal wildlife products.

**Expected outcomes:** to reduce the rates of poaching of rhinos and elephants and other threatened species; and to increase the arrests and convictions related to poaching of these species.

*Program 4: Prevention, Control, and Management of Invasive Alien Species*

**Activities that will receive support:** the implementation of comprehensive prevention, early detection, control and management frameworks of invasive alien species, focusing primarily on island ecosystems.

**Expected outcomes:** to prevent, control, and manage invasive alien species (IAS) through improved management frameworks; and to avoid species extinction as a result of IAS management (if applicable).

*Program 5: Implementing the Cartagena Protocol on Biosafety*

**Activities that will receive support:** the implementation of the National Biosafety Frameworks for those countries that have not yet implemented them. Thematic projects addressing some of the specific provisions of the Cartagena Protocol will also receive support.

**Expected outcomes:** to achieve an adequate level of protection in the safe transfer, handling and use of living modified organisms resulting from modern biotechnology that may have adverse effects on the conservation and sustainable use of biological diversity.

## **BD3. Sustainably Use Biodiversity**

*Program 6: Ridge to Reef+: Maintaining Integrity and Function of Globally Significant Coral Reef Ecosystems*

**Activities that will receive support:** the expansion of coral reef areas situated within Marine Protected Areas; the development, adoption and enforcement of policy and regulatory frameworks and legislation to mitigate marine-based pollution and damage to coral reef ecosystems; and the implementation of integrated coastal management that better addresses local marine pressures on coral reef ecosystems.

**Expected outcomes:** to maintain and increase the integrity and functioning of the area of coral reef ecosystems.

*Program 7: Securing Agriculture's Future: Sustainable Use of Plant and Animal Genetic Resources*

**Activities that will receive support:** the in-situ conservation and sustainable use of plant and animal genetic resources, through farmer management.

**Expected outcomes:** to increase the genetic diversity of globally significant cultivated plants and domesticated animals sustainably used within production systems.

*Program 8: Implementing the Nagoya Protocol on Access and Benefit Sharing*

**Activities that will receive support:** the assessment of Access and Benefit Sharing (ABS) provisions in existing policies, laws and regulations; the development and implementation of a strategy and action plan for the implementation of ABS measures; and the development of capacity among stakeholders, including indigenous and local communities, to negotiate between providers and users of genetic resources.

**Expected outcomes:** to establish legal and regulatory frameworks, and administrative procedures that enable access to genetic resources and benefit sharing.

## **BD4. Mainstream Biodiversity Conservation and Sustainable Use into Production Landscapes/Seascapes and Sectors**

*Program 9: Managing the Human-Biodiversity Interface*

**Activities that will receive support:** the integration of biodiversity in the production landscape and seascape in order to simultaneously secure the ecological integrity and sustainability of protected area systems, through activities such as the development of policy and regulatory frameworks, the improvement of production practices and the testing of financial mechanisms.

*Expected outcomes:* to increase the area of production in landscapes and seascapes that integrates conservation and sustainable use of biodiversity into management; and to incorporate biodiversity considerations into sector policies and regulatory frameworks.

**Program 10: Integration of Biodiversity and Ecosystem Services into Development and Finance Planning**

*Activities that will receive support:* the incorporation and adoption of national-level interventions that link biodiversity valuation and economic analysis with development policy and finance planning.

*Expected outcomes:* to integrate biodiversity and ecosystem service values into accounting systems in order to internalize them in development and finance policy and land-use planning and decision-making.

### Biodiversity Focal Area Set-Aside

Funds from the Biodiversity focal area set-aside (FAS) will support countries to produce their 6th National Reports to the CBD as well as national reporting obligations under the Cartagena Protocol and the Nagoya Protocol. These reports will be supported through enabling activities (see Section 4).

The remaining funds in the FAS will be used to contribute to the Sustainable Forest Management strategy (see the SFM Strategy in this section) and two integrated approaches: Taking Deforestation out of Commodity Supply Chains, and Fostering Sustainability and Resilience for Food Security in Sub-Saharan Africa (see Integrated Approach Pilots in this Section). Also, FAS funds will complement biodiversity investments at the national level through participation in global, regional or multi-country projects.



## CLIMATE CHANGE MITIGATION

The goal of the Climate Change Mitigation (CCM) strategy is to support developing countries to make transformational shifts towards a low emission development path, as well as enabling recipient countries to prepare for the new instrument under the United Nations Framework Convention on Climate Change (UNFCCC) applicable to all Parties. Three objectives, supported by five programs, comprise this multi-pronged strategy. These are:

### CCM1. Promote Innovation, Technology Transfer, and Supportive Policies and Strategies

#### *Program 1: Promote the Timely Development, Demonstration, and Financing of Low-carbon Technologies and Mitigation Options*

**Activities that will receive support:** the demonstration and deployment of technologies with transformational potential, including climate-friendly technologies; the acceleration of low emission technology innovation and uptake through demonstration, deployment, and transfer using policies and mechanisms; and the establishment of collaborative initiatives with stakeholders, including the private sector, to adapt technologies to user needs.

**Expected outcomes:** to promote the accelerated adoption of innovative technologies and management practices for greenhouse gas (GHG) emission reduction and carbon sequestration; to foster accelerated low GHG development and emissions mitigation in policy, planning and regulatory frameworks; and to demonstrate and operationalize financial mechanisms to support GHG reductions.

#### *Program 2: Develop and Demonstrate Innovative Policy Packages and Market Initiatives to Foster a New Range of Mitigation Actions*

**Activities that will receive support:** the design of innovative policy packages addressing climate mitigation concerns; the demonstration of performance-based mechanisms linked to emission reductions; and the support of measures to de-risk low-emission investments.

**Expected outcomes:** to foster accelerated low GHG development and emissions mitigation in policy, planning and regulatory frameworks; and to demonstrate and operationalize financial mechanisms to support GHG reductions.

### CCM2. Demonstrate Systemic Impacts of Mitigation Options

#### *Program 3: Promote Integrated Low-emission Urban Systems*

**Activities that will receive support:** the adoption of urban interventions with significant climate change mitigation

potential (e.g.: urban strategies, policies, and regulations combining energy efficiency and renewable energy development) in order to help cities shift towards low-emission urban development.

**Expected outcomes:** to promote accelerated low GHG development and emissions mitigation in policy, planning and regulatory frameworks; and to demonstrate and operationalize financial mechanisms to support GHG reductions.

#### *Program 4: Promote Conservation and Enhancement of Carbon Stocks in Forest, and other Land Use, and Support Climate-smart Agriculture*

**Activities that will receive support:** the implementation of mitigation-focused management practices in land use, land-use change and forestry (LULUCF) and in agriculture; the adoption of policies and financial mechanisms to maintain and enhance carbon stocks or reduce emissions from LULUCF and agriculture; and the establishment and strengthening of accounting and monitoring, reporting, and verification in LULUCF and agriculture.

**Expected outcomes:** to accelerate the adoption of innovative technologies and management practices for GHG emission reduction and carbon sequestration; and to foster accelerated low GHG development and emissions mitigation in policy, planning and regulatory frameworks.

### CCM3. Foster Enabling Conditions to Mainstream Mitigation Concerns into Sustainable Development Strategies

#### *Program 5: Integrate Findings of Convention Obligations and Enabling Activities into National Planning Processes and Mitigation Contributions*

**Activities that will receive support:** the preparation of intended nationally determined contributions, and other COP guidance in areas such as technology needs assessments (TNAs) and capacity building. The production and implementation of Nationally Appropriate Mitigation Actions (NAMAs) will also be considered.

**Expected outcomes:** to foster accelerated low GHG development and emissions mitigation in policy, planning and regulatory frameworks.

### Climate Change Mitigation Focal Area Set-Aside

Countries will be able to access focal area set-aside funds (FAS) to implement Convention obligations and enabling activities (see Section 4). Support will be provided to produce the national communications to the Convention and Biennial Update Reports (BURs). Support for technology needs assessments will also be made eligible for Small Island Developing States (SIDs) and Least Developed Countries (LDCs) from the FAS.

The remaining funds in the FAS will be used to address supra-national strategic priorities or to incentivize countries to participate in global, regional, or multi-country projects.

## CLIMATE CHANGE ADAPTATION

The goal of the Climate Change Adaptation (CCA) strategy is to increase 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. Support under the Special Climate Change Fund (SCCF) and the Least Developed Countries Fund (LDCF) will pursue the following three objectives:

### *CCA-1: Reduce the Vulnerability of People, Livelihoods, Physical Assets and Natural Systems to the Adverse Effects of Climate Change*

**Expected outcomes:** to reduce the vulnerability of physical assets and natural systems; to diversify livelihoods and sources of income of vulnerable populations; and to adopt and scale-up climate-resilient technologies and practices.

### *CCA-2: Strengthen Institutional and Technical Capacities for Effective Climate Change Adaptation*

**Expected outcomes:** to increase awareness of climate change impacts, vulnerability and adaptation; to improve scientific and technical knowledge for the identification, prioritization and implementation of adaptation strategies and measures; to enhance access to improved climate information and early-warning systems at regional, national, sub-national and local levels; and to strengthen institutional and technical capacities and human skills to identify, prioritize, implement, monitor and evaluate adaptation strategies and measures.

### *CCA-3: Integrate Climate Change Adaptation into Relevant Policies, Plans and Associated Processes*

**Expected outcomes:** to establish and strengthen institutional arrangements to lead, coordinate and support the integration of climate change adaptation into relevant policies, plans and associated processes; to develop and strengthen policies, plans and associated processes to identify, prioritize and integrate adaptation strategies and measures; and to establish and strengthen systems and

frameworks for the continuous monitoring, reporting and review of adaptation.

## LAND DEGRADATION

The goal of the Land Degradation (LD) strategy is to arrest and reverse current global trends in land degradation, specifically desertification and deforestation, by promoting good practices conducive to sustainable land management (SLM). Four objectives and five programs will drive LD efforts:

### *LD1. Maintain or Improve Flow of Agro-ecosystem Services to Sustain Food Production and Livelihoods*

#### *Program 1: Agro-ecological Intensification*

**Activities that will receive support:** the improvement of land and soil health and increased vegetative cover, focusing on agro-ecological methods and approaches; the improvement of rangeland management and sustainable pastoralism; the strengthening of community-based agricultural management; as well as the implementation of integrated watershed management and integrated approaches to soil fertility and water management.

#### *Program 2: SLM for Climate-Smart Agriculture*

**Activities that will receive support:** the improvement of agro-ecosystem resilience through innovative SLM approaches, such as enhancing the resilience of agricultural land management systems to drought and/or flood; the diversification of crops and livestock production systems through SLM; and the adoption of innovative financial and market instruments to implement SLM practices that reduce GHG emissions and increase sequestration of carbon on smallholder farms.

**Expected outcomes (for programs 1 and 2):** to improve agricultural, rangeland and pastoral management; to maintain the functionality and cover of agro-ecosystems; and to increase investments in SLM.

### *LD2. Generate Sustainable Flows of Ecosystem Services from Forests, including in Drylands*

#### *Program 3: Landscape Management and Restoration*

**Activities that will receive support:** the sustainable management of forests and agroforestry for increased ecosystem services in agriculture, the regeneration of landscapes through agroforestry and farmer-managed natural regeneration, and the implementation of SLM approaches to avoid deforestation and forest degradation in production landscapes.



*Expected outcomes:* to establish support mechanisms for forest landscape management and restoration; to improve forest management and/or restoration; and to increase investments in SFM and restoration.

*Expected outcomes:* to establish support mechanisms for SLM in wider landscapes; to adopt integrated landscape management practices by local communities based on gender sensitive needs; and to increase investments in integrated natural resource management,

**LD3. Reduce Pressures on Natural Resources by Managing Competing Land Uses in Broader Landscapes**

**LD4: Maximize Transformational Impact through Mainstreaming of SLM for Agro-ecosystem Services**

**Program 4: Scaling-up Sustainable Land Management through the Landscape Approach**

**Program 5: Mainstreaming SLM in Development**

*Activities that will receive support:* the improvement of policies, practices, and incentives for improving production landscapes with environmental benefits, and the application of innovative tools and practices for natural resource management at scale (e.g.: innovations for improving soil health, water resource management, and vegetation cover in production landscapes systems).

*Activities that will receive support:* the implementation of innovative mechanisms for multi-stakeholder planning and investment in SLM at scale, such as the incorporation of SLM in new public-private partnership agricultural investments, the adoption of innovative financing mechanism based on valuation of environmental services, and the development of mechanisms to scale-up best practices for landscape regeneration.

*Expected outcomes:* to mainstream SLM in development investments and value chains across multiple scales; and to promote innovative mechanisms for multi-stakeholder planning and investments in SLM at scale.

### **Land Degradation Focal Area Set-Aside**

The Land Degradation set-aside will be utilized to complement activities under the SFM strategy and the Integrated Approach on Fostering Sustainability and Resilience for Food Security in Sub-Saharan Africa. In addition, the set-aside funds will support enabling activities for the implementation of the UNCCD and 10-Year Strategy as well as cross-cutting initiatives for regional integration and efforts to promote knowledge sharing and transfer for advancing SLM globally.

## **INTERNATIONAL WATERS**

The goal of the International Waters (IW) strategy is to promote the collective management for transboundary water systems and the implementation of the full range of policy, legal and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services. Seven programs under three objectives will be implemented:

### **IW1. Catalyze Sustainable Management of Transboundary Water Systems by Supporting Multistate Cooperation through Foundational Capacity Building, Targeted Research and Portfolio Learning**

*Program 1: Foster Cooperation for Sustainable Use of Transboundary Water Systems and Economic Growth*

*Activities that will receive support:* the coordination of transboundary dialogue processes for participatory and cross-sectoral Transboundary Diagnostic Analyses (TDAs), the adoption of legal and institutional frameworks for coordinated or collaborative action and the formulation of Strategic Action Programs (SAPs).

*Expected outcomes:* to demonstrate political commitment/shared vision and improved governance for joint, ecosystem-based management of transboundary water bodies; to implement on-the-ground demonstration actions such as in water quality, quantity, conjunctive management of groundwater and surface water, fisheries, coastal habitats; to enhance the IW portfolio performance from active learning and experience sharing; and to influence targeted research on critical global concerns.

*Program 2: Increase the Resilience and Flow of Ecosystem Services in the Context of Melting High Altitude Glaciers*

*Activities that will receive support:* the coordination of multi-stakeholder efforts in countries affected by glacial melt in high altitude basins in order to formulate and implement regional action programs or sub-basin integrated water resources management plans that will strengthen adaptive management strategies.

*Expected outcomes:* to identify, agree and test adaptive management measures in limited transboundary basins/sub-basins with high- altitude melting ice.

### **IW2. Catalyze Investments to Balance Competing Water-uses in the Management of Transboundary Surface and Groundwater and Enhance Multi-state Cooperation**

*Program 3: Advance Conjunctive Management of Surface and Groundwater through Effective Institutional, Legal, and Policy Measures*

*Activities that will receive support:* the improvement of effective conjunctive management and sustainable use of transboundary surface and groundwater resources, as well as the integration of climate variability and change to Transboundary Diagnostic Analyses and Strategic Action Programs.

*Expected outcomes:* to improve the governance of shared water bodies, and to increase the management capacity of regional and national institutions to incorporate climate variability and change, including improved capacity for management of floods and droughts.

*Program 4: Addressing the Water/Food/Energy/ Ecosystem Security Nexus*

*Activities that will receive support:* the strengthening of regional frameworks for the effective and efficient water use, enhanced delivery and sharing of environmental and socio-economic benefits in transboundary basins, in order to balance competing water uses across sectors and borders.

*Expected outcomes:* to increase water/food/energy/ ecosystem security and to share the benefits on a basin/ sub-basin scale.

### **IW3. Enhance Multi-state Cooperation and Catalyze Investments to Foster Sustainable Fisheries, Restore and Protect Coastal Habitats, and Reduce Pollution of Coasts and Large Marine Ecosystems**





#### *Program 5: Reduce Nutrient Pollution Causing Ocean Hypoxia*

*Activities that will receive support:* the reduction of nutrient pollution and coastal hypoxia in Large Marine Ecosystems (LMEs) through innovative policy, economic, and financial tools, public-private partnerships and demonstrations aimed at eliminating or decreasing the extent of dead (hypoxic) zones.

*Expected outcomes:* to eliminate or substantially decrease dead zones in developing countries' LMEs.

#### *Program 6: Prevent the Loss and Degradation of Coastal Habitats*

*Activities that will receive support:* the implementation of measures and sustainable management tools, including Integrated Coastal Management, in the most globally significant marine areas within Large Marine Ecosystems to prevent further loss and degradation of coastal habitats.

*Expected outcomes:* to protect coastal habitats from further loss and degradation, while protecting and enhancing livelihoods, in globally most significant coastal areas.

#### *Program 7: Foster Sustainable Fisheries*

*Activities that will receive support:* the adoption of ecosystem-based approaches to fisheries management, ranging from small scale and artisanal fisheries to that practiced by global and regional fishing fleets.

*Expected outcomes:* to introduce sustainable fishing practices into globally over-exploited fisheries.

## CHEMICALS AND WASTE

The long-term goal of the Chemicals and Waste (CW) strategy is to prevent the exposure of humans and the environment to harmful chemicals and waste of global importance, including persistent organic pollutants (POPs), mercury and ozone depleting substances, through a significant reduction in the production, use, consumption and emissions/releases of those chemicals and waste. This goal will be pursued through the following two strategic objectives and six programs:

### *CW1. Develop the Enabling Conditions, Tools and Environment for the Sound Management of Harmful Chemicals and Wastes*

#### *Program 1: Develop and Demonstrate New Tools and Regulatory along with Economic Approaches for Managing Harmful Chemicals and Waste in a Sound Manner*

*Activities that will receive support:* the development, testing and demonstration of technologies, alternatives, techniques, best practices, legislative and policy tools, finance models, private sector engagement models and economic tools to control chemicals and waste.

**Expected outcomes:** to promote appropriate decision-making tools and economic approaches, as well as to demonstrate, deploy and transfer innovative technologies, for the sound management of harmful chemicals and waste.

**Program 2: Support Enabling Activities and Promote their Integration into National Budgets, Planning Processes, National and Sector Policies and Actions and Global Monitoring**

**Activities that will receive support:** the development of plans and reports for countries to meet their obligations under the Stockholm Convention and the Minamata Convention, as well as the incorporation of their findings into national and sector level development planning.

**Expected outcomes:** to ratify and undertake the initial assessment activities to the Minamata Convention; to assess the Artisanal and Small Scale Gold Mining (ASGM) sector in order to develop a National Action Plan (NAP) to address the Mercury use in the ASGM sector; to update the National Implementation Plans under the Stockholm Convention; and to strengthen global monitoring for POPs and to establish global monitoring for Mercury.

**CW2. Reduce the Prevalence of Harmful Chemicals and Waste and Support the Implementation of Clean Alternative Technologies/Substances**

**Program 3: Reduction and Elimination of POPs**

**Activities that will receive support:** the application of technologies, techniques and approaches for eliminating stockpiles of POPs, POPs in products, and POPs containing waste, including e-waste.

**Expected outcomes:** to eliminate and reduce quantifiable and verifiable tons of POPs.

**Program 4: Reduction or Elimination of Anthropogenic Emissions and Releases of Mercury to the Environment**

**Activities that will receive support:** the reduction of mercury in key sectors where urgent actions are required, such as the reduction, and where feasible elimination, of the use of mercury and mercury compounds in Artisanal and Small Scale Gold Mining, the sound management of mercury storage, and the introduction of frameworks for the environmentally sound management of mercury-containing wastes.

**Expected outcomes:** to reduce mercury.

**Program 5: Complete the Phase-out of Ozone Depleting Substances in Countries with Economies in Transition and Assist Article 5 Countries under the Montreal Protocol to Achieve Climate Mitigation Benefits**

**Activities that will receive support:** the phase-out of hydrochlorofluorocarbons and the replacement of ozone depleting substances dependent technology in countries with economies in transition<sup>10</sup>.

**Expected outcomes:** to phase-out ozone depleting substances and to replace them with zero ozone depletion potential, low global warming potential alternatives.

**Program 6: Support Regional Approaches to Eliminate and Reduce Harmful Chemicals and Waste in Least Developed Countries (LDCs) and Small Island Developing States (SIDS)**

**Activities that will receive support:** the elimination and reduction of harmful chemicals and waste in LDCs and SIDS by creating an enabling environment for regional and sub-regional cooperative action to develop and implement regional approaches.

**Expected outcomes:** to enhance the capacity of LDCs and SIDS to manage harmful chemicals and waste; and to include and account for the management of harmful chemicals and waste in LDCs and SIDS regional/sub-regional plans.

## SUSTAINABLE FOREST MANAGEMENT

The goal of the Sustainable Forest Management (SFM) strategy is to achieve multiple environmental benefits from improved management of all types of forests and trees outside of forests. The strategy targets pristine, managed forests and degraded forest land under all forms of ownership, tenure, and use regimes including public, private, community, and traditional or customary arrangements. Four objectives will drive SFM efforts:

**SFM1. Maintained Forest Resources: Reduce the Pressures on High Conservation Value Forests by Addressing the Drivers of Deforestation**

**Activities that will receive support:** the integration of land use planning, the identification and maintenance of high conservation value forests, and the identification and monitoring of forest loss.

**Expected outcomes:** to avoid loss of high conservation value forests through cross-sector policy and planning approaches at appropriate governance scales, and to implement innovative mechanisms in order to avoid the loss of high conservation value forest.

<sup>10</sup> The seven countries with economies in transition will be supported: Azerbaijan, Belarus, Kazakhstan, Russian Federation, Tajikistan, Ukraine and Uzbekistan.

### **SFM2. Enhanced Forest Management: Maintain Flows of Forest Ecosystem Services and Improve Resilience to Climate Change through SFM**

**Activities that will receive support:** the development and implementation of model projects for Payment for Ecosystem Services; the development of capacity for SFM within local communities, and the adoption of sustainable finance mechanisms for SFM.

**Expected outcomes:** to increase the application of good management practices in all forests by relevant government, local community and private sector actors; and to increase the contribution of sustained forest ecosystem services to national economies and local livelihoods.

### **SFM3. Restored Forest Ecosystems: Reverse the Loss of Ecosystem Services within Degraded Forest Landscapes**

**Activities that will receive support:** the development of technical and institutional capacities to identify degraded forest landscapes and to monitor forest restoration; and the integration of SFM in landscape restoration.

**Expected outcomes:** to implement integrated landscape restoration plans in order to maintain forest ecosystem services at appropriate scales by government, private sector and local community actors.

### **SFM 4: Increased Regional and Global Cooperation: Enhanced Regional and Global Coordination on Efforts to Maintain Forest Resources, Enhance Forest Management and Restore Forest Ecosystems through the Transfer of International Experience and Know-how**

**Activities that will receive support:** the engagement of the private sector in achieving SFM and sustainable land use; and the testing of cost-effective technologies for community-based natural resource monitoring.

**Expected outcomes:** to improve collaboration between countries and across sectors on the implementation of SFM.

## **CROSS-CUTTING CAPACITY DEVELOPMENT**

The goal of the Cross-Cutting Capacity Development (CCCD) strategy is to help countries meet and sustain global environmental outcomes by strengthening key capacities that address challenges and remove barriers common to the Multilateral Environmental Agreements (MEAs) that the GEF provides support for. It also aims at mainstreaming the global environment into decision-making. The following five objectives will guide the CCCD strategy:

### **CCCD-1. Integrating Global Environmental Needs into Management Information Systems**

**Activities that will receive support:** the development or update of an in-depth analysis of the current management information systems related to the Rio Conventions and other MEAs; the negotiation of agreements among all key line ministries and agencies on the realignment of their management information systems; as well as the establishment of monitoring systems to track progress in convention implementation.

### **CCCD-2. Strengthening Consultative and Management Structures and Mechanisms**

**Activities that will receive support:** the development or update of an in-depth evaluation of the current domestic decision-making processes related to the Rio Conventions and other MEAs; the negotiation of agreements among ministries and non-state stakeholders on the best consultative processes for improved decision-making on the Rio Conventions and other MEAs; and to provide training to decision-makers on the critical linkages between the objectives of the Rio Conventions and other MEAs and sectoral development priorities.

### **CCCD-3. Integrating Multilateral Environmental Agreements' Provisions within National Policy, Legislative and Regulatory Frameworks**

**Activities that will receive support:** the development or update of an in-depth analysis of the country's environment and development policy framework; the development of an analytical framework for the in-depth analysis of sectoral policies, plans, programs and associate legislative and regulatory instruments; and the piloting of the negotiated realignment of a selected set of sectoral policies with the provisions of the Rio Convention and other MEAs.

### **CCCD-4. Piloting Innovative Economic and Financial Tools for Convention Implementation**

**Activities that will receive support:** the development of a detailed study on the applicability of innovative economic indicators for the valuation of natural resources; the development of a detailed study on potentially applicable best practices on environmental fiscal reforms; and the testing of the applicability of targeted innovative tools for the review of a proposed development project.

### CCCD-5. Updating of National Capacity Self Assessments

*Activities that will receive support:* the preparation of the updated National Capacity Self Assessments to identify the capacity needs to implement the Rio Conventions and the country's commitments under other MEAs, through a multi-stakeholder consultative process.

## INTEGRATED APPROACH PILOTS

An innovative conceptual framework will be piloted in GEF-6—the Integrated Approaches to the Global Environment for the Implementation of Multilateral Environmental Agreements and Promoting Sustainable Development. The Integrated Approach (IAP) pilots will enable recipient countries to meet their commitments to more than one global convention by tackling underlying drivers of environmental degradation while building on the necessary linkages for the achievement of sustainable development goals. The three pilots are:

### IAP–Sustainable Cities: Harnessing Local Action for Global Commons

The Sustainable Cities Integrated Approach aims at helping cities address the drivers of mega-trends of global environmental degradation in an integrated manner.

*Activities that will receive support:* the demonstrations of high-impact, integrated sustainable cities initiatives, such as performance-based urban management pilot projects, climate-smart urban and peri-urban agriculture and forestry, and sound management of chemicals and cleanup of the production supply chain for safer and healthier cities.

*Expected outcomes:* to strengthen local actions while promoting coordinated national and regional-global partnerships in order to jointly address barriers to sustainable urban and territorial development.

### IAP–Taking Deforestation out of Commodity Supply Chains

The goal of the Commodities Integrated Approach is to address the production, processing, and supply of key agricultural commodities in order to tackle the drivers of deforestation.

*Activities that will receive support:* the increase in the understanding of the role of agricultural commodities in deforestation; the strengthening of the enabling environment for sustainable commodities by improving land-use



policy, planning and governance; the uptake of sustainable commodity production practices by producers; and the increase in investments in deforestation-free commodities. **Expected outcomes:** to increase the supply of key agricultural commodities through means which do not lead to deforestation.

### *IAP—Fostering Sustainability and Resilience for Food Security in Sub-Saharan Africa*

The Food Security Integrated Approach seeks to integrate environmental priorities into smallholder agriculture and food value chains in Sub-Saharan Africa.

**Activities that will receive support:** the intensification of sustainable practices for soil and water conservation, the diversification of production systems, the integration of natural resource management in agro-pastoral systems, and the application of sustainable and climate-resilient practices. The pilot will target four food insecure sub-regions—Sahel, the Horn of Africa, the Eastern Africa Highlands and Southern Africa.

**Expected outcomes:** to promote the sustainable management and resilience of ecosystems and their different services (land, water, biodiversity, forests) as a means to address food insecurity.

## NON-GRANT INSTRUMENTS PILOT

To further expand the use of non-grant instruments, a pilot program will be implemented in GEF-6. Its goal is to support targeted investments by private sector and public sector recipients to promote global environmental benefits.

Non-grant instruments have helped the GEF deliver innovative projects and partnerships, in particular in its

engagement with the private sector. One of the innovative features of this pilot is the expansion of the use of non-grant instruments to the public sector.

The Policy on Non-Grant Instruments sets the principles and approaches for the use of non-grant instruments in GEF-financed projects (see Section 6). It also lists the instruments most frequently used, including credit guarantee, performance risk guarantee, structured financing, equity/investment fund, revolving equity fund, contingent loan, concessional loan, and revolving loan fund.

Activities that will receive support, in all focal areas: the demonstration of innovative private and public sector application of financial mechanisms, business models, partnerships and approaches that may be broadly adopted and can be scaled up; and the provision of high levels of co-financing.

The financial terms for the use of non-grant instruments under the pilot are:

- For the **private sector**: flexible, concessional terms are negotiated on a case-by-case basis which ensures a minimum level of concessionality, avoids displacing other finance and mobilizes other investments. The maximum maturity for private sector loans is 20 years.
- For the **public sector**: different terms apply depending on the non-grant instrument used, as follows:
  - a. For **concessional loans** to:
    - **LDCs and SIDS**: the maximum maturity is 40 years, with a 10 years grace period and a 0.25 percent interest rate.
    - **Other developing countries**: the maximum maturity is 20 years, with a 10 years grace period and a 0.75 percent interest rate.
  - b. For **guarantee instruments**: the reflow schedule and fees are negotiated on a case-by-case basis.





# How to Access GEF Projects and Programs

GEF support is provided to government agencies, civil society organizations, private sector companies, research institutions, among the broad diversity of potential partners, to implement projects and programs in recipient countries.

The possibilities to access GEF funding are multiple. Some considerations and a few key steps should be taken beforehand:

1. **Contact the Operational Focal Point (OFP)** in the country. The OFP is responsible for the review and endorsement of projects to ensure consistency with national priorities. Thus, the initial idea should be first discussed with him/her.

The OFP is also responsible for facilitating and coordinating all the GEF-related activities within the country. He/she often organizes and coordinates National Portfolio Formulation Exercises, national consultations and other processes (see Section 10) for the programming of the portfolio of GEF projects. The different project ideas for GEF financing are discussed, prioritized, and consolidated through these multi-stakeholder processes.

In addition, the OFP can guide the project proponent in avoiding duplication of activities, in case a similar project has already been funded. The list of all GEF-funded projects in a country, including an overview of the country's allocation and utilization, can be consulted on the GEF website<sup>11</sup>.

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<sup>11</sup> [http://www.thegef.org/gef/country\\_profile](http://www.thegef.org/gef/country_profile)

A civil society organization or private sector company, among the broad range of potential national partners, can also submit its expertise and background on issues related to the protection of the global environment. The reason for this is to provide the OFP with the necessary background information to be considered in, for example, consultations or sub-contracts for other projects.

2. **Meet the eligibility criteria.** For a project or program to be considered for GEF-funding, it must fulfill the following eligibility criteria:

- It has to be undertaken in an **eligible country**. Countries may be eligible for GEF funding in one of two ways: a) if the country has ratified the Conventions the GEF serves: Convention on Biological Diversity (CBD), the United Nations Framework Convention on Climate Change (UNFCCC), the United Nations Convention to Combat Desertification (UNCCD), the Stockholm Convention and the Minamata Convention; or b) if the county is eligible to borrow funds from the World Bank or to receive technical assistance from UNDP.
- It has to be **country-driven** and consistent with national priorities. All GEF projects should be based on national priorities designed to support sustainable development.
- It has to address one or more of the GEF **focal area strategies** (see Section 3).
- It has to seek GEF financing only for the agreed-on **incremental costs** on measures to achieve global environmental benefits (see Section 6).
- It has to be endorsed by the Operational Focal Point of the country in which the project or program will be implemented. For regional projects and programs, the endorsement of the Operational Focal Points of all participating countries is required. For global projects, an endorsement letter is not required.
- It must **involve the public** in project design and implementation, following the *Policy on Public Involvement in GEF-Financed Projects and the Guidelines for the Implementation of the Public Involvement Policy* (see Section 6).

3. **Choose a GEF Agency.** The GEF Agency is responsible for the development and implementation of projects and programs. This means that the GEF Agency will be the proponent's partner at all stages of the project. The project proponent should choose the GEF Agency to partner with, based on their comparative advantages (see Section 1).

4. **Select a type of modality.** The GEF provides funding through four modalities: full-sized projects,

medium-sized projects, enabling activities and programs. The project proponent should select the one that better fits the idea to be developed into a proposal. These are:

- **Full-sized projects (FSPs)**—those over \$2 million in GEF funds. Government agencies, civil society organizations, private sector companies, international organizations, among other stakeholders, can apply for a FSP. Because of the large scale of GEF resources allocated to these projects, FSP support long-term initiatives for addressing global environmental issues. The average duration of a FSP is five to six years, supporting the establishment of multiple partnerships among stakeholders during implementation (see Box 4).

#### **BOX 4: Example of Full-sized Project**

Addressing land degradation, climate change mitigation and biodiversity, the *Sustainable Land Management and Climate-Friendly Agriculture* project aims at improving agriculture and forest land use management in Turkey through the dissemination and adoption of low-carbon technologies with win-win benefits in land degradation, climate change, and biodiversity conservation and increased farm profitability and forest productivity. This national FSP is being executed by the Ministry of Forestry and Water Affairs of Turkey and the Ministry of Food, Agriculture and Livestock, in partnership with national and local government agencies, the private sector and CSOs. The 4-year project implemented by FAO is supported by a GEF allocation of \$5.7 million and \$22.3 million in co-financing. Its main activities include the rehabilitation of degraded forest and rangeland; the adoption of climate-smart agriculture techniques across productive landscape; and enabling the legal, policy and institutional environment for sustainable land management.

- **Medium-sized projects (MSPs)** –those up to \$2 million in GEF funds. MSPs offer opportunities for a broader range of partners to access GEF resources. Government agencies, civil society organizations, private sector companies, international organizations, among other stakeholders, can apply for a MSP. Because of their smaller scale, MSPs increase the flexibility in the allocation of GEF resources, to test and implement innovative initiatives to protect the global environment. The average duration of a MSP is about three years, encouraging partnership building throughout implementation (see Box 5).



### BOX 5: Example of Medium-sized Project

The *Integrated Landscape Management for Improved Livelihoods and Ecosystem Resilience in Mount Elgon* aims at empowering communities in Uganda to manage their production landscapes in an integrated manner for improved livelihoods and ecosystem resilience. This national initiative in Uganda combines the land degradation and climate change mitigation focal areas, with a total GEF allocation of \$1.6 million and \$7.6 million in co-financing. The MSP is executed by the Ministry of Agriculture, Animal Industry and Fisheries in partnership with various national and local partners, and implemented by UNDP. The 3-year project focuses on two key actions: addressing barriers to integrated landscape planning and management; and developing and demonstrating on-the-ground approaches to improving land and forest management and reducing GHG emissions within a production landscape, while empowering communities.

- **Enabling Activities**, aimed at enabling countries to prepare national inventories, strategies and action plans to guide and encourage the integration of convention objectives into national development efforts and sectors. Enabling Activities also help countries prepare their reports and communications under the CBD, the UNFCCC, the UNCCD, the Stockholm Convention and the Minamata Convention (see Box 6).

### BOX 6: Example of Enabling Activity

To comply with the requirements to the CBD, the Ministry of Environment and Sustainable Development of Colombia is implementing an initiative to prepare the *National Biodiversity Planning to Support the Implementation of the CBD 2011-2020 Strategic Plan*. This 18-months enabling project, implemented by UNDP, with a total GEF financing of \$445,000, is being executed in partnership with the Humboldt Institute. It aims at mainstreaming the National Policy on Integrated Biodiversity Management into the country's national and sub-national development and sectoral planning frameworks, by articulating the Aichi targets with national priorities for the conservation and sustainable use of biodiversity and maintenance of ecosystem services; developing a National Action Plan for implementing the National Policy on Integrated Biodiversity Management; and strengthening mechanisms for monitoring, implementation and reporting of advance to the CBD.

- **Programs** are a *strategic* combination of FSPs and MSPs with a common focus structured to build upon or complement one another in order to produce results that would not be possible to achieve through a project-by-project approach. Programs maximize the impact of GEF resources by securing a larger-scale and sustained impact on the global environment by implementing medium to long-term strategies for achieving specific global environmental objectives that are consistent with the national or regional strategies and plans of recipient countries. Programs provide the GEF with a modality to disburse large-scale GEF resources effectively and efficiently to countries and regions; and an opportunity for interested donors and other partners, including the private sector, to invest additional funding that seeks to achieve the same impacts (see Box 7).

### BOX 7: Example of Program

The *Greater Mekong Subregion Forests and Biodiversity Program* addresses biodiversity, climate change (mitigation and adaptation), sustainable forest management and land degradation focal areas to increase investments and improve the management and climate resilience of high priority forest biodiversity conservation landscapes including protected area systems of the Greater Mekong Subregion, recognizing the pressures on these landscapes from development and climate change. The 5-year program, implemented by the Asian Development Bank and World Bank in Cambodia, People's Republic of China, Lao People's Democratic Republic, Myanmar, Thailand and Vietnam, totals more than \$20 million in GEF financing and about \$132 million in co-financing for a regional MSP *Creating Transboundary Links Through a Regional Support*; and four national FSPs in:

1. Thailand: *Strengthening Capacity and Incentives for Wildlife Conservation in the Western Forest Complex*
2. Laos: *Strengthening Protection and Management Effectiveness for Wildlife and Protected Areas*
3. Viet Nam: *Integrating Biodiversity Conservation, Climate Change and Sustainable Forest Management in the Central Annamites Landscape*
4. Cambodia: *Watershed Management and Ecosystem Services in The Cardamom Mountains Upland Of Prek Thnot River*

In addition, The GEF also supports community-based organizations through its Small Grants Programme (see Section 5).



## Step-by-Step Process to Access GEF Financing

Depending on the type of modality selected, different templates have to be completed describing the project proposal for its review and approval. The templates and the project review sheet, organized by type of modalities, as well as the template for the OFP endorsement letter, can be accessed on the GEF website<sup>12</sup>.

The step-by-step process for the preparation, review and approval for each modality is described below.

### FULL-SIZED PROJECTS

Full-sized projects (FSPs) go through four main steps, two of them in the review and approval phase and two during the implementation phase (see Figure 7), as follows:

#### *Step 1: GEF Council Approval of Work Program*

A project proponent in a recipient country develops a Project Identification Form (PIF) (see Box 8 for PIF template). To efficiently complete all the information required by the PIF, the proponent can jointly work with the Operational Focal Point (OFP) and the GEF Agency selected to partner in the project. The engagement of the OFP in the initial stages of project design is important, since every project is required to be in line with national priorities, through an endorsement letter.

If the country has undertaken a National Portfolio Formulation Exercise (see Section 10), the PIF should reflect the directions and priorities identified through that exercise. Otherwise, the PIF should reflect the priorities established through an equivalent national process (e.g.: national dialogues or other planning processes).

Once both the PIF and the endorsement letter by the OFP are completed, they are formally submitted to the GEF Secretariat through the GEF Agency.

There are no deadlines for submissions, since PIFs are received on a rolling basis.

Simultaneously, the Agency submits the PIF to all other GEF Agencies, the relevant convention secretariat(s), and the STAP for review. Within five days, these partners provide comments which are also copied to the Secretariat.

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<sup>12</sup> [https://www.thegef.org/gef/guidelines\\_templates](https://www.thegef.org/gef/guidelines_templates)

## BOX 8: Project Identification Form

The PIF template has to be completed by the project proponent, in consultation with the Operational Focal Point and the GEF Agency. It includes three parts:

**PART I: PROJECT INFORMATION.** Including Project Title, Country(ies) where the project will be implemented, GEF Agency(ies), Other Executing Partners, GEF Focal Area(s) or Integrated Approach Pilot addressed by the proposal and Project Duration.

- A. Indicative Focal Area Strategy Framework and Other Program Strategies, selecting the Focal Area objectives and programs to be addressed, and the indicative amount of GEF financing and co-financing for the proposal.
- B. Indicative Project Description Summary: Describing the project objective, project components, financing type (investment or technical assistance), project outcomes and outputs, and the total project cost, categorizing the indicative amount of GEF financing and co-financing for the proposal.
- C. Indicative Sources of Co-financing for the project, by name and type, if available.
- D. Indicative Trust Fund resources requested by GEF Agency(ies), Country(ies) and the programming of funds.
- E. Project Preparation Grant (PPG): If a project requires, for example, coordinating workshops to consult with national stakeholders, hiring a consultant with particular expertise or developing a preliminary study, a PPG can be requested to fund these preparatory activities. PPG amount requested should be indicated. The PPG amount is determined by the size of the financing requested to the GEF: up to \$100,000 for projects up to \$3 million; \$150,000 for projects up to \$6 million; \$200,000 for projects up to \$10 million; and \$300,000 for projects above \$10 million.

- F. Project's Target Contributions to Global Environmental Benefits, indicating the expected contribution of the project to the overall GEF targets (see Section 8).

**PART II: PROJECT JUSTIFICATION.** This part requires a brief narrative description of the following elements of the project:

- A. Project Description, including the global environmental problems that need to be addressed, the baseline scenario, the proposed alternative scenario and expected outcomes and components, the incremental cost reasoning for GEF's intervention, the global environmental benefits and the innovation and sustainability of the project and its potential for scaling up.
- B. The relevant stakeholders from civil society and indigenous peoples to be engaged in project design and preparation.
- C. The gender considerations taken into account in project preparation.
- D. The risks that might prevent the project objectives from being achieved, and if possible, the measures proposed to address those risks.
- E. Coordination with other relevant GEF-financed and other initiatives.
- F. Consistency with National Priorities, strategies and plans or reports and assessments under relevant conventions.
- G. Knowledge Management approach for the project.

### **PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES).**

To include the endorsement of the GEF Operational Focal Point (the OFP endorsement letter has to be attached to the PIF) of the country(ies) where the project will be implemented, and the certification by the GEF Agency(ies).

The GEF Secretariat reviews the PIF, and within 10 working days, recommends:

- That the proposal is included in the work program for consideration by the Council—referred to as a cleared PIF.
- That the proposal requires further clarification or additional information.
- That the proposal is not recommended for further processing.

From among the cleared PIFs, the GEF Secretariat constitutes a work program based on resource availability, balance across different focal areas, priority for countries that have not accessed GEF resources, among other factors.

The CEO then submits the work program for Council approval. The GEF Council reviews several work programs in a year—either during the Council meeting, or intersessionally for decision by mail on a no-objection basis.

### Step 2: Endorsement of a Project by the CEO

Since the PIF provides the overall outline of the proposal, a more detailed project document is required for its approval. Thus, after a PIF is approved by the Council, the project proponent and the Agency have a maximum of 18 months to prepare the project document for CEO Endorsement/Approval (see Box 9 for the Request for Project Endorsement template).

The following conditions have to be met for a well-prepared project document to be submitted for CEO endorsement:

- a. Compliance with the maximum 18-month deadline between the date of Council approval of a PIF and the CEO endorsement. If the 18-month deadline is not met, the CEO notifies the GEF Agency, the recipient country OFP, and the Trustee of the cancellation of the project (see Section 6).
- b. Meeting the review criteria for GEF projects at CEO endorsement stage. Although the review criteria template is used by the GEF Secretariat, it can help project proponents to ensure that all criteria are incorporated into the project. The review criteria includes a series of key questions related to how the design of the project addresses country eligibility and ownership, global environment benefits, GEF focal area strategies, resource availability, project consistency, project design, project financing and co-financing and monitoring and evaluation.
- c. The submission of confirmed co-financing letters.
- d. Completed tracking tools, monitor and measure (see Section 8).

Once the final project document is completed and agreed by all stakeholders involved in the proposal, it is submitted by the GEF Agency to the Secretariat for CEO endorsement. In its request for CEO endorsement, the GEF Agency has to report on how it has responded to any Council comments and to concerns identified by STAP. The GEF Agencies have to simultaneously copy the final project document to all Agencies, the relevant convention secretariat(s), and the STAP for their information and comment.

The Secretariat reviews the project, which is then endorsed by the CEO. After CEO endorsement, projects are posted on the GEF website for information.

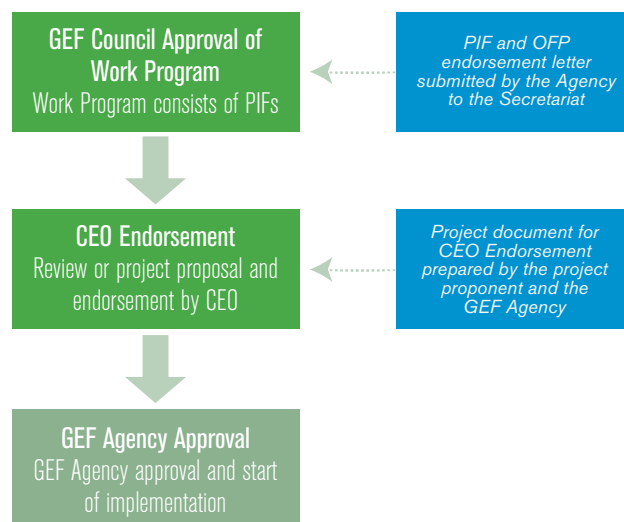
### Step 3: Approval of a Project by the GEF Agency

After a project is endorsed by the CEO, and using the same project document, the GEF Agency follows its own internal procedures to approve the project and start implementation. The GEF Agency supervises the work of the executing partner throughout the implementation of the project and conducts periodic reviews.

### Step 4: Project Completion and Terminal Evaluation

The GEF Agency is responsible for the preparation of annual project implementation reports, to assess progress during implementation. These reports are submitted to the Secretariat. Upon project completion, the Agency is also required to submit a terminal evaluation report to the Secretariat and a financial closure report to the Trustee.

FIGURE 7 FSP PROJECT CYCLE



## BOX 9: Request for Project Endorsement

The Request for Project Endorsement for a FSP has to be completed by the project proponent, in consultation with the Operational Focal Point and the GEF Agency. The template includes three parts:

**PART I: PROJECT INFORMATION**, including Project Title, Country(ies) where the project will be implemented, Project Title, GEF Agency(ies), Other Executing Partners, GEF Focal Area(s), Integrated Approach Pilot (in case the project addresses one of these pilots), Name of Parent Program (if it is a child project under a program), Submission Date and Project Duration (in months).

- A. Focal Area Strategy Framework and Other Program Strategies, listing the Focal Area Objectives and Programs to be addressed, the expected Focal Area Outcomes, and the total project costs, indicating Financing requested to the GEF and Co-financing by each objective.
- B. Project Description Summary, outlining the overall design of the project by specifying Project Objective, Project Component / Programs, Financing Type (investment or technical assistance), Trust Fund (from which GEF resources are requested) and total project costs, indicating Financing requested to the GEF and Co-financing by each project component, including project management cost.
- C. Confirmed Sources of Co-Financing for the Project by Name and by Type, listing the Sources of Co-financing, Name of Co-financier, Type of Co-financing, and Amount and Total Co-financing for the project.
- D. Trust Fund Resources Requested by Agency(ies), Country(ies) and the Programming of Fund, including GEF Agency, Trust Fund, Country Focal Area, Programming of Funds (as applicable), and total grant resources, categorized by GEF Project Financing, Agency Fee and Total.
- E. Project's Target Contributions to Global Environmental Benefits, providing the expected targets to be achieved by the project (see Section 8).
- F. Non-grant instruments (if applicable).

**PART II: PROJECT JUSTIFICATION**. This part requires a detailed description of the following elements of the project:

- A. Description of changes made (if any) in alignment with the project design with the original PIF, including:
  - A.1. Project Description: the global environmental problems to be addressed, the baseline scenario and projects, the proposed alternative, the incremental cost reasoning, the global environmental benefits and the innovativeness, sustainability and potential for scaling up.
  - A.2. Child Project, if the project is under a program, and how it will contribute to the overall program impact.

- A.3. How key stakeholders from civil society and indigenous people will be engaged in the project.
- A.4. How gender considerations were mainstreamed into the project.
- A.5. The potential social and environmental risks that might prevent project objectives from being achieved.
- A.6. Institutional Arrangement and Coordination for project implementation.

*Additional Information not Addressed at PIF Stage:*

- A.7. The socioeconomic benefits to be delivered by the project.
- A.8. The Knowledge Management plans for the project (e.g.: to document, learn and share experiences and lessons from project).
- B. Description of the Consistency of the Project with:
  - B1. Consistency with National Priorities, strategies and plans or reports and assessments under relevant conventions.
  - B2. Fund Strategies—GEF focal area and/or fund(s) strategies, eligibility criteria and priorities.
- C. Description of the Budgeted Monitoring and Evaluation Plan, detailing how the project outcomes will be monitored and evaluated.

### **PART III: CERTIFICATION BY GEF PARTNER AGENCY(IES)**

For the GEF Agency(ies) to certify that the request meets the criteria for CEO endorsement under GEF-6.

In addition, four annexes complement the FSP project proposal:

**ANNEX A: PROJECT RESULTS FRAMEWORK**, including a complete and detailed project level results framework.

**ANNEX B: RESPONSES TO PROJECT REVIEWS**, to list comments received from the GEF Secretariat, GEF Agencies, responses to comments received during PIF stage from Council, Convention Secretariat and STAP; and explain how the comments have been incorporated into the document.

**ANNEX C: STATUS OF IMPLEMENTATION OF PROJECT PREPARATION ACTIVITIES AND THE USE OF FUNDS**. In case funds for a Project Preparation Grant (PPG) (see point E in Box 4) were requested, the funding amount of all activities implemented with PPG funds to prepare the project has to be detailed and categorized.

**ANNEX D: CALENDAR OF EXPECTED REFLOWS**. If non-grant instrument is included in the project, a calendar should be provided of expected reflows to the GEF or to the Agency.

## MEDIUM-SIZED PROJECTS

Medium-sized projects (MSPs) go through a simplified one-step approval process (see Figure 8), as follows:

### GEF Approval

A fully prepared MSP project document can be approved by the CEO. A project proponent, in consultation with the GEF Agency and the Operational Focal Point, completes a Request for MSP Approval template (see Box 10 for template), in order to submit the MSP proposal.

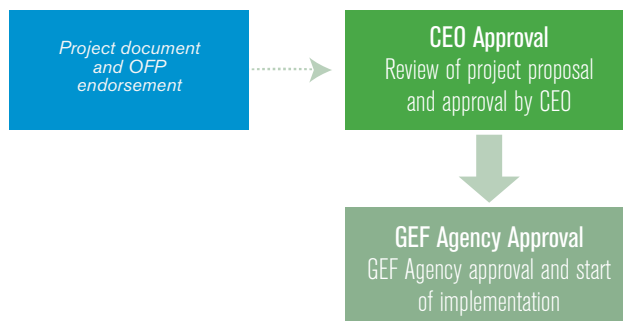
The engagement of the OFP in the initial stages of project design is important, since every project is required to be in line with national priorities, through an endorsement letter. The OFP endorsement letter should be attached as part of the submission by the GEF Agency to the Secretariat requesting approval for the project document.

MSPs project documents are reviewed and approved by the CEO after a 10 working days review period. After CEO approval, projects are posted on the GEF website for information.

### GEF Agency Approval

After a project is approved by the CEO, and using the same project document, the GEF Agency follows its own internal procedures to approve the project and start implementation. The GEF Agency supervises the work of the executing partner throughout the implementation of the project and conducts periodic reviews.

FIGURE 8 MSP PROJECT CYCLE



A two-step process for MSPs is also available. If necessary, this option would require the project proponent to complete a PIF (see Box 8 for template) and, once approved, completing a Request for MSP Approval (see Box 10 for template).



## BOX 10: Request for MSP Approval

The MSP template has to be completed by the project proponent, in consultation with the Operational Focal Point and the GEF Agency. It includes three parts:

**PART I: PROJECT IDENTIFICATION**, including Project Title, Country(ies) where the project will be implemented, GEF Agency(ies), Other Executing Partners, GEF Focal Area(s) or Integrated Approach Pilot addressed by the proposal and Project Duration.

- A. Focal Area Strategy Framework and Program, indicating the Focal Area objectives and programs to be addressed, the corresponding outcomes, and the indicative amount of GEF financing and co-financing for the proposal.
- B. Project Framework. Listing the project objective, project components, financing type (investment or technical assistance), project outcomes and outputs, and the amount of GEF financing and co-financing for the proposal.
- C. Sources of Co-financing for the project, by name and by type.
- D. Resources requested to the GEF by Agency(ies), Trust Fund, Focal Area and programming of funds.
- E. Project's Target Contributions to Global Environmental Benefits, indicating the expected contribution of the project to the overall GEF targets (see Section 8).
- F. Indicate if the project includes a non-grant instrument.
- G. Project Preparation Grant (PPG). If a project requires, for example, coordinating workshops to consult with national stakeholders, hiring a consultant with particular expertise or developing a preliminary study, a PPG can be requested to fund these preparatory activities. PPG amount requested should be indicated. The PPG amount for MSPs is of up to \$50,000, provided on a reimbursement basis when the MSP is approved by the CEO.

**PART II: PROJECT JUSTIFICATION**. This part requires a narrative description of the following elements of the project:

1. Project Description including the global environmental problems that need to be addressed, the baseline scenario, the proposed alternative scenario, the incremental cost reasoning for GEF's intervention,

the global environmental benefits and the innovation and sustainability of the project and its potential for scaling up.

2. If the project is a Child Project under a program, a description of its contribution to the overall impact should be indicated.
3. The relevant stakeholders from civil society and indigenous people to be engaged in project design and preparation.
4. The gender considerations taken into account in project preparation.
5. The socio-economic benefits to be delivered by the project.
6. The risks that might prevent the project objectives from being achieved, and if possible, the measures proposed to address those risks.
7. The cost-effectiveness in project design.
8. The coordination with other relevant GEF projects and other initiatives.
9. The institutional arrangements for project implementation
10. The knowledge management approach for the project.
11. Consistency with National Priorities, strategies and plans or reports and assessments under relevant conventions.
12. The budgeted Monitoring and Evaluation plan.

**PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)**, to document the endorsement of the GEF Operational Focal Point (the OFP endorsement letter has to be attached) and the certification by the GEF Agency(ies).

In addition, two annexes have to be completed:

**ANNEX A: PROJECT RESULTS FRAMEWORK**, including a complete and detailed project level results framework.

**ANNEX B: CALENDAR OF EXPECTED REFLows**. If non-grant instrument is included in the project, a calendar should be provided of expected reflows to the GEF or to the Agency.

## ENABLING ACTIVITIES

Enabling Activity projects provide financing for the preparation of a plan, strategy or national program to fulfill the commitments under the Conventions that the GEF serves, including national communication or reports to the Conventions.

GEF funding for Enabling Activities varies depending on the focal area, based on guidance and Convention-approved ceiling for these types of activities. The maximum amounts are:

- Biodiversity, up to \$500,000.
- Climate Change, up to \$500,000 for National Communications and up to US\$352,000 for Biennial Update Reports.
- Land Degradation, up to \$150,000.
- Chemicals and Waste, up to \$200,000 for activities related to the Minamata Convention Initial Assessments, up to \$500,000 for Artisanal and Small Scale Gold Mining National Action Plans; and up to \$500,000 for activities addressing POPs.

The processing and approval of Enabling Activities can follow two paths (see Figure 9):

### *Expedited Procedures*

Enabling activities can be accessed through expedited procedures for projects up to the maximum Conventions-approved amounts.

The country prepares a Request for Enabling Activities to be implemented by a national institution (see Box 11 for template). The Operational Focal Point submits the completed request to the GEF Secretariat, directly or through a GEF Agency, for CEO approval.

Once reviewed and approved, the CEO and the country sign a Grant Agreement and implementation starts. Enabling activities may be submitted to the Secretariat on a rolling basis.

### *Regular Procedures*

When the Request for Enabling Activities exceeds the maximum Conventions-approved amounts, the project goes through the regular procedures through a GEF Agency. The additional funding required for these enabling activities is covered through the country's STAR allocation –for biodiversity, climate change or land degradation projects.

## BOX 11: Request for Enabling Activities

The Request for Enabling Activities template has to be completed in close consultation with the Operational Focal Point, and should indicate the focal area for which funds are requested. It includes three parts:

**PART I: PROJECT IDENTIFIERS**, outlining the Project Title, Country where the project will be implemented, GEF Agency(ies), Other Executing Partners, GEF Focal Area(s), Type of Report and Expected Report Submission to Convention.

- A. **Project Framework**, describing the objective, project components, outcomes and outputs, and the amounts of GEF financing requested and confirmed co-financing.
- B. **Sources of Co-financing for the project by name and by type**. Although not required, co-financing is encouraged, and should also be listed in this section.
- C. **GEF Financing Resources Requested by Agency, Country and Programming of Funds**.

**PART II: ENABLING ACTIVITY JUSTIFICATION**. This part requires a narrative description of the following elements:

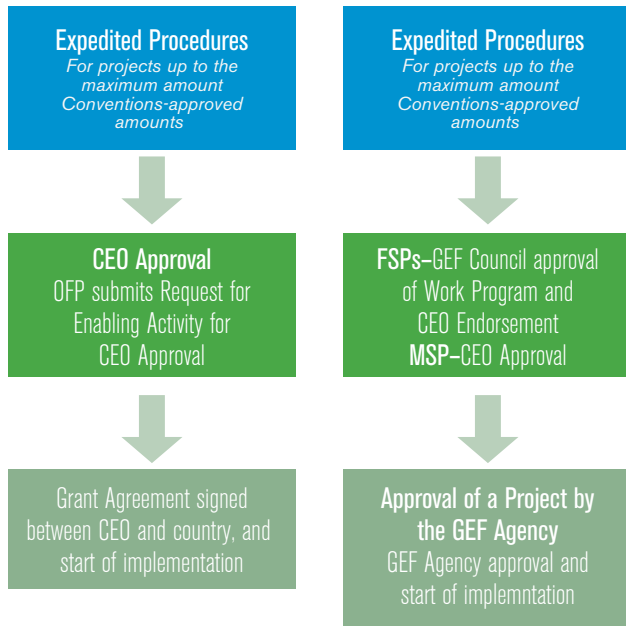
- A. **Enabling Activity Background and Context**, providing information about projects implemented since the country became party to the convention and results achieved.
- B. **Enabling Activity Goals, Objective and Activities**, including a brief justification and description of the project framework, and key stakeholders to be involved.
- C. **Enabling activity and institutional framework for project implementation**, describing the work to be undertaken and the expected output for each activity.
- D. **Description, if possible, of the expected cost-effectiveness of the project**.
- E. **Description of the budgeted Monitoring and Evaluation Plan**.
- F. **Explanation of the deviation from typical cost ranges (where applicable)**.

**PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)**, including the record of the endorsement of the OFP; Convention participation (date of ratification and convention focal point for the country) and GEF Agency certification.



The review and approval process follows the steps described for FSPs, for those projects requiring more than \$2 million in GEF funding; or for MSPs, for those enabling activities of up to \$2 million.

**FIGURE 9 ENABLING ACTIVITIES CYCLE**



## PROGRAMS

Programs are a *strategic* combination of projects—either FSPs or MSPs—structured under a common framework. A program can be conceived by a GEF Agency, a government agency or any other type of partner in a country or a group of countries.

There are two types of programs:

- **Thematic Programs**—addressing an emerging issue or opportunity that is globally significant to warrant engagement by wide range of stakeholders. It is focused around specific themes, technologies, or sectors that can be addressed with common approaches and interventions.
- **Geographical Programs**—focusing on a country or a region, to secure large-scale and sustained impact for the environment and development in a particular geography (landscape, ecosystem, district, provinces or country), and may focus on particular sectors in this broader context (e.g. energy, transport, agriculture, forestry).



The approval process of a program involves two steps (see Figure 10), as follows:

### Step 1: GEF Council Approval of a Program Framework Document

The GEF Agency prepares a Program Framework Document (PFD) (see Box 12 for template). The PFD defines the scope of the program and describes all its important elements, including clear and measurable criteria for the selection of projects under the program and a list of anticipated projects to be part of the program.

The development of the PFD requires the full engagement and participation of key agencies in the country, sector specialists, civil society organizations, private sector companies and other partners, as well as other interested donors and development agencies. Since a program is the strategic framework under which various individual projects will be implemented, securing these partnerships is a critical phase in the development and design of the PFD.

The PFD is submitted by the GEF Agency to the GEF Secretariat, with copies to all GEF Agencies, convention secretariat(s) and the STAP, for review and clearance by the CEO.

The submission must be accompanied by the OFP endorsement letter from the country or countries where the program is proposed, detailing the expected use of STAR allocations in the program. The letter should include an endorsement of the program concept and objectives, as well as for the entire program amount.

The STAP, relevant convention secretariat(s) and Agencies may provide comments on the PFD to the GEF Secretariat, within 5 working days. The Secretariat receives these comments, which are incorporated to its own revisions to ensure the PFD meets the following criteria: eligibility, resource availability, program consistency, program design and financing, and monitoring and evaluation plan. Once reviewed, CEO clearance is granted.

The GEF Secretariat presents all cleared PFDs for Council approval as part of a work program. Upon Council approval of the PFD, the GEF Agency can proceed with the preparation of the FSPs or MSPs under the program, following its own internal procedures.

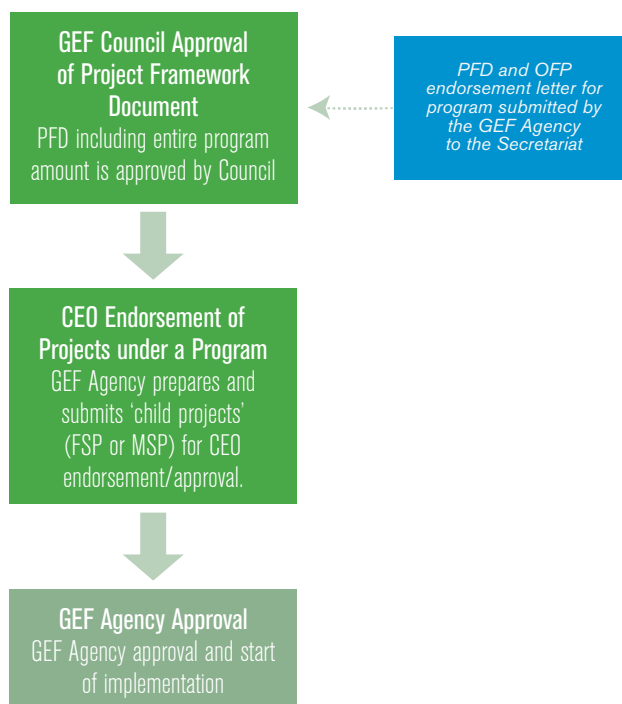
### Step 2: CEO Endorsement of Projects under a Program

The GEF Agency prepares the underlying FSPs and/or MSPs in the program –referred to as ‘child projects’. Child projects have to ensure their coherence with the program objective.

The project documents for the FSP and/or MSPs under the program are submitted to the Secretariat and STAP for a 10 working-day review period before CEO endorsement/approval. After CEO endorsement/approval of each project, the GEF Agency approves each project following its own internal procedures, and start of project implementation. All approved project documents are then posted on the GEF website for information.

Since programs require longer duration compared to single stand-alone projects, every PFD will include an agreed deadline before which all child projects will need to be submitted for CEO endorsement –the PFD commitment deadline. If all child projects are not submitted by the agreed deadline, funds committed under the program will be cancelled (see Section 6).

FIGURE 10 PROGRAM CYCLE



## BOX 12: Program Framework Document

The template for a program includes three main parts, and one annex listing the FSPs and/or MSPs to be part of the program. The PFD includes a description of the following elements:

**PART I: PROGRAM IDENTIFICATION**, including Program Title, Country(ies), Lead GEF Agency, Other GEF Agencies, Other Executing Partners, GEF Focal Area and/or Integrated Approach pilot to be addressed, Program Commitment Deadline, Submission Date and Program Duration.

- A. Focal Area Strategy Framework and Other Program Strategies, including focal area objectives and programs that the program will address, expected outcomes, type of trust fund (from which resources are requested), and indicative GEF financing and co-financing.
- B. Indicative Program Results Framework, including program objective, program components, financing type (investment or technical assistance), expected outcomes, trust fund, and total program cost, including indicative financing and co-financing.
- C. Co-financing for the Program by Source and by Type.
- D. GEF Resources Requested by Agency, Trust Fund, Country, Focal Area and the programming of funds.
- E. Program's Target Contributions to Global Environmental Benefits, providing the expected targets to be achieved by the project (see Section 8).

**PART II: PROGRAM JUSTIFICATION**, providing a narrative description of the following elements of the program:

1. Program Description, including the global environmental problems to be addressed, the baseline scenario, the proposed alternative scenario, the

incremental cost reasoning, and the innovation, sustainability and potential for scaling up.

2. How key stakeholders from civil society and indigenous people will be engaged in program design and preparation.
3. How gender considerations will be mainstreamed into the program preparation.
4. The socioeconomic benefits to be delivered by the program.
5. The potential social and environmental risks that might prevent program objectives from being achieved.
6. Coordination, outlining the institutional structure and possible coordination with other relevant GE projects and other initiatives.
7. The Knowledge Management plans for the program (e.g.: to document, learn and share experiences and lessons from implementation).
8. Consistency with National Priorities, strategies and plans or reports and assessments under relevant conventions.
9. The Child Project Selection Criteria and the contribution of each child project to program impact.

**PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF**

**AGENCY(IES)** including the record of the endorsement of the OFPs where all child projects will be implemented; and GEF Agency(ies) certification.

**ANNEX A. LIST OF CHILD PROJECTS UNDER THE PROGRAM FRAMEWORK**, listing the country and title

of each project under the program, the GEF Agency, and the GEF program financing amount per project and total costs, including co-financing.



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# The GEF Small Grants Programme: Empowering Communities for Global Impact

Empowering and supporting grassroots initiatives and community-level action is the goal of the GEF's Small Grants Programme (SGP).

The SGP is a corporate global program of the GEF implemented by UNDP on behalf of the GEF and its Agencies. Since its establishment in 1992, the SGP provides financial and technical support directly to community-based organizations for initiatives that conserve and restore the environment while enhancing people's well-being and livelihoods.

Making *Local Action, Global Impact* its core principle, the GEF SGP has supported communities in developing local solutions to global environmental challenges. Its distinctive approach to grant-making encourages local innovation and community ownership.

## The Unique Nature of the GEF SGP

The GEF SGP links global, national and local issues through a transparent, participatory and country-driven approach to project planning, design and implementation.

SGP provides technical and financial support to communities through grants up to a maximum of \$50,000, although in practice the average grant amount is in the \$20,000 to \$25,000 range. A strategic projects window has recently been added for grant-making up to a maximum of \$150,000 to allow for scaling up and to support initiatives that cover a large number of communities within a critical landscape or seascape.

Small grants allow communities, in particular those that are poor and vulnerable, to access the appropriate level of funding as they develop their capacity and for the program to take measured risks in testing new methods and technologies and to innovate as needed.

Although GEF SGP funding is modest, its interventions enable support for community-based experimentation. Once an innovative idea or strategy has been tested on the ground and proven to be effective in meeting community needs, it can often be replicated and scaled up through networking with other communities and partner organizations, further increasing its strategic impact. These resulting initiatives usually attract additional donors and government support for wider application.

The strategic features of the program include its support of activities that reconcile sustainable livelihoods with GEF global priorities, the growing ownership by communities and local CSOs as a result of increased capacities and the experiences gained, as well as the active engagement of diverse stakeholders working on global environmental issues at the local level.

The decentralized structure of the GEF SGP encourages maximum country, community and civil society ownership and initiative. At the country level, the GEF SGP operates through a multi-sectoral, multi-stakeholder body—the National Steering Committee (NSC). The NSC has a majority of CSO membership, including NGOs, CBOs, indigenous people, the private sector and academia, together with the government and the UNDP Country Office. The NSC is responsible for developing the Country Program Strategy, which guides the country's grant-making by adapting the SGP global strategic framework for a GEF replenishment cycle to the country's specific conditions and priorities. A National Coordinator serves as the link between the NSC and the local partners.

A Central Programme Management Team (CPMT) based within the UNDP GEF Headquarters Unit is responsible for the overall global management of the SGP. The GEF SGP is governed by a Steering Committee, which includes the GEF Secretariat, UNDP and the GEF CSO Network. The Steering Committee is chaired by the GEF CEO and provides strategic guidance to the program.

## Glimpse into the GEF SGP

By promoting the development of community level strategies, gathering and sharing lessons, building partnerships and networks of stakeholders, and encouraging replication, the SGP has become one of the most successful corporate programs of the GEF.

Since 1992, the SGP has supported more than 19,000 small projects with a GEF contribution of about \$502 million and \$645 million from other partners, including \$340 million in in-kind contributions from civil society partners.

Biodiversity conservation has the largest share of the SGP portfolio, with 46 percent; followed by climate change projects including community-based adaptation initiatives, with 24 percent. Land degradation and multifocal area local initiatives represent 15 and 7 percent respectively. Community actions related to international waters and chemicals account for four and two percent respectively (see Figure 11).

The regional distribution of the SGP investments shows that Latin America and the Caribbean accounts for the largest share of community-based projects, with 30 percent; followed by Africa and Asia and the Pacific, with 29 and 23 percent respectively. Europe and the CIS represent 11 percent of the SGP investments and the Arab States, 7 percent (see Figure 12). These percentages only represent trends, since some regions have more country programmes than others, due to the expansion of the SGP over the years.

As a result of its success, the SGP has expanded from its initial 33 countries in 1992 to provide assistance to 132 countries<sup>13</sup> over the course of its implementation. As of December 2014, the SGP is active in 125 participating countries. To effectively respond to and accommodate new country programmes, some country programmes were 'upgraded' to function more independently. These nine upgraded countries have been part of the programme for more than 15 years and have gained significant experience to manage and sustain the SGP (see Box 13).

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<sup>13</sup> SGP programmes have been active in the in the past in the following countries: Bulgaria, Chile, Lithuania, Poland, Romania, Slovak Republic and the Syrian Arab Republic.

FIGURE 11 SGP DISTRIBUTION BY FOCAL AREA: 1992-2014

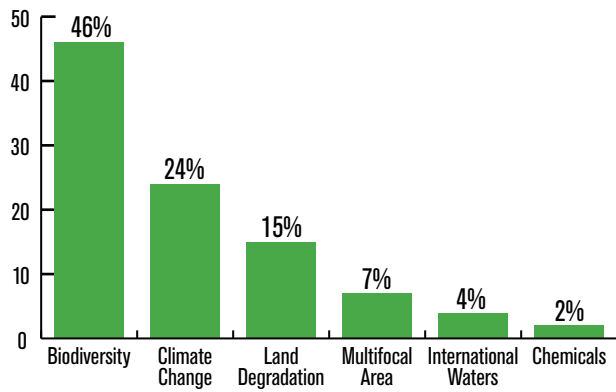
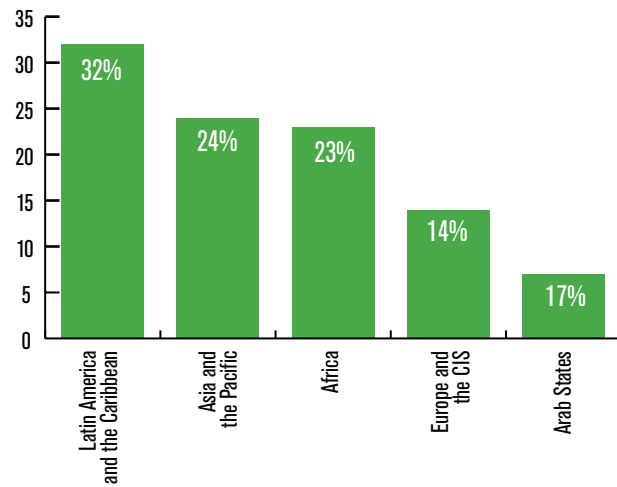


FIGURE 12 SGP REGIONAL DISTRIBUTION: 1992-2014



### BOX 13: The SGP Country Programmes

Upgraded country programmes in **bold**

**AFRICA:** Benin, Botswana, Burkina Faso, Burundi, Cameroon, Cape Verde, Central African Republic, Chad, Comoros, Congo DR, Cote d'Ivoire, Djibouti, Eritrea, Ethiopia, Gambia, Ghana, Guinea, Guinea Bissau, **Kenya**, Lesotho, Liberia, Madagascar, Malawi, Mali, Mauritania, Mauritius, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Seychelles, Sierra Leone, South Africa, , Tanzania, Togo, Uganda, Zambia, Zimbabwe.

**ASIA AND THE PACIFIC:** Afghanistan, Bhutan, Cambodia, China, Federated States of Micronesia, **India**, Indonesia, Iran, Lao PDR, Malaysia, Maldives, Marshall Islands, Mongolia, Nepal, **Pakistan**, Palau, Papua New Guinea, **Philippines**, Solomon Islands, Sri Lanka, Thailand, Timor Leste, Vanuatu, Vietnam. Also, there are two Sub-regional Programs for the Pacific Island States – a sub-regional program coordinated from the Fiji, for the following countries: Kiribati, Nauru, Tonga and Tuvalu; and a Polynesia Sub-regional Program, coordinated from Samoa, including the Cook Islands, Niue and Tokelau.

**ARAB STATES:** Algeria, Egypt, Jordan, Lebanon, Morocco, Palestinian Authority, Tunisia, Yemen.

**EUROPE AND THE CIS:** Albania, Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Macedonia, Moldova, Tajikistan, Turkey, Ukraine, Uzbekistan.

**LATIN AMERICA AND THE CARIBBEAN:** Antigua and Barbuda, Argentina, Bahamas, Barbados, Belize, **Bolivia**, **Brazil**, Colombia, **Costa Rica**, Cuba, Dominica, Dominican Republic, **Ecuador**, El Salvador, Grenada, Guatemala, Guyana, Haiti, Honduras, Jamaica, **Mexico**, Nicaragua, Panama, Paraguay, Peru, St. Kitts and Nevis, Saint Lucia, Saint Vincent and the Grenadines, Suriname, Trinidad and Tobago, Uruguay, Venezuela.

## SGP Global Initiatives for GEF-6

The GEF SGP supports community-based activities in biodiversity, climate change, (including community-based adaptation), international waters, land degradation, chemicals and capacity development. As a corporate program of the GEF, the SGP strategic global priorities are aligned to the overall GEF focal area strategies.

For GEF-6, or the SGP 6<sup>th</sup> Operational Phase (OP6), the overall goal of the program is to effectively support the creation of global environmental benefits and the safeguarding of the global environment through community and local solutions that complement and add value to national and global level action.

The SGP will prioritize the following four global multi-focal initiatives in OP6:

- 1. Community landscape and seascape conservation.**  
Efforts will be focused on the implementation of community based landscape/seascape approaches to improve the conservation, sustainable use, and management of important terrestrial and coastal/marine ecosystems (e.g.: World Heritage Sites, Marine Protected Areas).
- 2. Climate-Smart Innovative Agro-ecology.** Targeting production buffer zones of critical ecosystems and forest corridors in danger of fragmentation due to population pressure, community action will be promoted to implement agro-ecology practices that incorporate measures to reduce CO<sub>2</sub> emissions and enhance resilience to climate change (e.g.: sustainable farming practices, use of organic based fertilizers, agro-forestry).
- 3. Low Carbon-Energy Access Co-benefits.** Activities will be encouraged to provide low-cost energy solutions for people without access to electricity and those that still rely on traditional biomass for cooking, by building the capacity of communities for the development and use of innovative technologies that have high potential for carbon emissions reductions (e.g.: small hydro, bioenergy systems from waste and efficient stoves) and promoting new business models through partnerships with the private sector to commercialize successful renewable energy projects and pilot energy efficient innovations.
- 4. Local to Global Chemicals Management Coalition.** Prioritizing communities that are at the forefront of chemical threats as users or consumers, efforts will be focused on the demonstration, deployment and transfer of innovative community-based tools and approaches for managing harmful chemicals and waste in a sound manner, with the support from newly organized or existing coalitions.

Each SGP country programme adapts these global initiatives to the specific national and community needs. This is because GEF funding through the SGP is country-driven. Thus, every country programme develops its own Country Programme Strategy.

The Country Programme Strategy, which guides the grant-making at the country level, is based on country priorities and the global components which are the most relevant to implement in each country. The strategy is agreed and approved by the National Steering Committee to better respond to country and community-level ownership. Usually, the SGP Country Programme Strategy takes into account existing national biodiversity and climate change strategies and plans, as well as those relating to national development and poverty eradication. According to the country's specific conditions, the strategies may prioritize certain thematic or geographic areas, particularly in large countries.

## How to Access SGP Funding

Civil society organizations, including community-based organizations, indigenous peoples' organizations, women's organizations and non-governmental organizations, among others, in an SGP participating country can access GEF SGP funding.

The process to access SGP funding usually starts with a call for proposals, which is broadly publicized in the country. The National Coordinator, in close consultation with the National Steering Committee, decides when to announce the call for proposals, including the activities to be prioritized in each announcement.

An organization interested in applying to SGP should ensure that the project idea meets the requirements in the call for proposals and is in line with the Country Programme Strategy. A project proponent can also discuss the idea with the National Coordinator to receive his/her advice.

Once the interested organization ensures that the project idea is consistent with the call for proposals, a project concept paper has to be completed, describing the existing situation and how it will be addressed, the proposed objectives, activities and expected outcomes and impact. The concept paper should also include a budget.

The project concept is then submitted to the National Coordinator for review and pre-screening, based on the eligibility criteria set by the National Steering Committee. Different country programmes may follow slightly different procedures for screening and reviewing of proposals,





depending on the volume of project concepts submitted and overall funding available. In some countries, a Technical Advisory Group may assist the National Coordinator in screening and reviewing of key technical aspects of projects, prior to their submission to the National Steering Committee.

If the proposal is considered eligible, the proponent organization is asked to develop a project proposal, by completing a template describing each element of the project in detail. The project proposal usually contains the following elements:

- **Project Rationale and Approach**, including a summary of the proposed project, the organization's background and capacity to implement the project, the objectives and expected results, a description of activities, the implementation plan and time frame, the plan to ensure community participation, a knowledge management plan, gender considerations, and a plan for communication and replication of project results.
- **Project Risks, Monitoring & Evaluation**, describing the risks to successful implementation, the monitoring and evaluation plan, including indicators, and the steps towards ensuring the sustainability of results achieved.

- **Project Budget**, detailing the project funding, the cash and in-kind community contribution, the organization's contribution and planned projected expenditures by categories. The organization's bank account information should also be included.

The National Steering Committee reviews all proposals and either accepts or rejects them. The National Steering Committee may also return the proposal to the proponent with a request for further work on formulating and refining the project.


After the project is approved by the National Steering Committee, it enters the national SGP work program. The organization then signs a Memorandum of Agreement with the UNDP Country Office for its implementation.

More information can be found on the GEF SGP website<sup>14</sup>.

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<sup>14</sup> <https://sgp.undp.org/>





# Key Policies and Guidelines for GEF Interventions

The development of a proposal for GEF financing has to consider numerous elements, including the global environmental problem to be addressed, an analysis of national policies and actions, how global environmental benefits will be generated, the main stakeholders to be engaged, and how to ensure the sustainability of the proposed activities, among others.

Key policies and guidelines have to also be considered when developing a proposal for GEF financing.

The policies and guidelines included in this section are those relevant for the development of a successful GEF-financed intervention. Some of these policies set requirements for GEF Agencies. However, project proponents should review the specific requirements of each policy, as these should be considered and, when appropriate, incorporated into the design of projects and programs for GEF support. These are:

## Incremental Costs

The GEF provides resources to meet the incremental costs of projects. This means that only the cost associated with transforming a project with national benefits into one that generates global environmental benefits can receive GEF support (see Box 14 for an example of incremental costs).

Two key concepts help explain incremental costs—the ‘business-as-usual’ and the ‘alternative’ scenarios. The ‘business-as-usual’ describes what already is occurring in the project area, and what is being implemented as ‘base-line activities’—those activities funded by, or proposed to be funded by, sources other than the GEF. The ‘alternative’ refers to the activities that would generate global environmental benefits. Thus, a project proposal to be considered for GEF financing should identify the global environmental benefits to be delivered as a result of GEF financing for an ‘alternative’ scenario. The global environmental benefits could be environmental problems solved or mitigated, threats/barriers removed, avoided loss of global environmental benefits that go above and beyond the benefits of the ‘business-as-usual’ scenario and ‘base-line activities’. The identification of the global environmental benefits should be closely aligned with the GEF focal area strategies (see Section 3).

In the case of a climate change project, GEF incremental costs are calculated as the difference between the costs of the GEF ‘alternative’ scenario and the costs of the ‘business-as-usual’ scenario. For example, various technologies could be used to meet a national development goal of generating power. The choice of renewable technologies over coal imposes an incremental cost and avoids the greenhouse gases that would otherwise be emitted. GEF grants cover the difference or *increment* between a less costly option (e.g.: coal-fired power generator) and a more expensive option that benefits the global environment (e.g.: renewable energy technologies).

#### BOX 14: Example of Incremental Costs

The *Integrated Energy Services for Small Localities of Rural Mexico* project provides an example of incremental costs covered by the GEF. Mexico has already achieved an electrification coverage of almost 95 percent of households, serving approximately all but 5 million of the 100 million population. These 5 million represent some 89,000 small, isolated communities. The project’s global environmental objective is to reduce GHG emissions through the reduction of policy, information, institutional capacity and financing barriers that hinder renewable energy technology dissemination. The incremental cost analysis compares the cost of investments and magnitude of GHG emissions associated with carrying out the business-as-usual approach to rural electrification—almost exclusively line extension and the use of isolated diesel systems—as opposed to implementing decentralized systems, particularly renewable energy technologies, for off-grid communities.

Determining incremental costs in GEF projects is not always simple. To address the need to determine incremental costs in a simplified way, a pragmatic approach has been adopted, which includes the following five steps:

1. **Analysis of the business-as-usual scenario.** This analysis will determine the environmental problem, threat, or barrier, and the business-as-usual scenario (or: What would happen without the GEF?). It will also provide an assessment of ongoing and planned activities in the absence of the GEF and the expected/projected loss of global environmental benefits if left unattended.
2. **Identification of global environmental benefits and strategic fit with GEF focal areas.** Once the environmental problems, threats, barriers and the extent to which global environmental benefits (GEB) are being lost have been identified, the next step is to identify and agree on the GEB the project is going to address. Each focal area has determined the GEBs it is addressing, and all focal areas have indicators and tracking tools for GEBs. The determination of the GEBs defines the specific focal area objective that the potential project can fall under.
3. **Provision of the incremental cost reasoning and GEF’s role.** Incremental reasoning defines the role for the GEF in the context of the expected agreed global environmental benefits from a proposed project. It is based on an assessment of the value added by involving the GEF. The identification of the GEF’s role is of great importance for the design and implementation of a project, and therefore requires a recorded process of transparent dialogue and negotiation between key stakeholders.
4. **Development of results framework of the project.** Once the problem, the business-as-usual scenario, and the global environmental benefits have been defined, the next step is to identify and negotiate the vision, objective and expected outcomes of a project. These decisions are enshrined in the results framework (such as the logical framework). The results framework describes both the GEF increment (i.e. achieving global environmental benefits) and the underlying interventions related to the business-as-usual (achieving local and national benefits).
5. **Negotiation of the role of co-financing.** Co-financing can be either part of the underlying project or new and additional funding secured for the project. The funding from other sources is essential for meeting the GEF project objectives.

## Co-financing

Because GEF support can only be provided for activities that generate global environmental benefits, co-financing is a requirement for all GEF-funded projects. The require-

ments for co-financing are set by the *Co-financing Policy*. *Co-financing* is defined as the resources that are additional to the GEF grant and that are provided by the GEF Partner Agency itself and/or by other non-GEF sources that support the implementation of the GEF-financed project and the achievement of its objectives. Types of co-financing include grants, loans, guarantees, and in-kind resources.

The objective of the co-financing policy is to attain adequate levels of co-financing as a means to:

- Enhance the effectiveness and sustainability of the GEF in achieving global environmental benefits.
- Strengthen partnerships with recipient country governments, multilateral and bilateral financing entities, the private sector, and civil society.

The Policy considers two types of co-financing:

- **Indicative Co-financing**—the tentative or expected co-financing for a project or program.
- **Confirmed Co-financing**—the co-financing that will be delivered during project implementation.

Co-financing is optional for GEF enabling activities, but it is required for all full-sized projects (FSPs), medium-sized projects (MSPs), and programs. The requirements for co-financing are:

- **For FSPs**
  - Indicative co-financing to enter a Work Program, in the Project Identification Form (see Box 8 in Section 4)
  - Confirmed co-financing to be considered for CEO endorsement, in the Request for Project Endorsement (see Box 9 in Section 4)
- **For MSPs**
  - Confirmed co-financing to be considered for CEO approval, in the Request for Project Approval (see Box 10 in Section 4)
- **For Programs**
  - Indicative co-financing to enter a Work Program, in the Program Framework Document (see Box 12 in Section 4)

The *Co-financing Policy* applies to projects and programs financed with resources from the GEF Trust Fund. Projects supported by the Special Climate Change Fund and the Least Developed Countries Fund are excluded from this policy.

## Public Involvement in GEF-financed Projects

The principles for promoting partnerships in GEF projects and programs are set by the *Policy on Public Involvement*

in *GEF-financed Projects*.

The *Policy on Public Involvement* aims at ensuring that individuals, groups, or institutions that have an interest or 'stake' in the outcome of a GEF-financed project or may be potentially affected by it are involved in the design, implementation, and evaluation of the project. These stakeholders include the recipient country government, groups contracted to carry out project activities and/or consulted at various stages of the project, project beneficiaries, groups of people who may be affected by project activities, and civil society groups.

Public involvement consists of three related, and often overlapping, processes:

- Information dissemination** to all interested stakeholders related to all stages of a project.
- Consultation** to provide opportunities for interested stakeholders, communities and local groups to contribute to project design, implementation and evaluation.
- Stakeholder participation** and collaborative engagement of interested stakeholders in the design and implementation of activities.

The policy requires that the following principles apply to the design, implementation, and evaluation of GEF-financed projects:

- Effective public involvement should enhance the social, environmental, and financial sustainability of projects.
- Responsibility for assuring public involvement rests within the country, normally with the government, project executing agency or agencies, with the support of GEF Agencies.
- Public involvement activities should be designed and implemented in a flexible manner, adapting and responding to recipient countries' national and local conditions and to project requirements.
- To be effective, public involvement activities should be broad-based and sustainable. The necessary financial and technical assistance should be included in project budgets, as needed, to ensure effective public involvement.
- Public involvement activities will be carried out in a transparent and open manner. All GEF-financed projects should have full documentation of public involvement.

The Guidelines for the effective implementation of the *Policy on Public Involvement in GEF-financed Projects* are structured around the three elements of public involvement:

For **Information Dissemination**—key steps at the international and national level include:

- The GEF will continue to ensure that relevant documents and information related to GEF programs and

projects become publicly available on the GEF's website in a timely manner, based on its principles of transparency and public access to information.

- At the national level, the GEF's Operational Focal Point, in coordination with the GEF Agencies and the GEF Secretariat, should keep and regularly update a list of CSOs and other organizations and other stakeholders in the country, and share necessary information and consult with them.
- The OFPs should hold at least one meeting every year with all interested CSOs and other stakeholders in order to inform them of the work being carried out with GEF support, the project ideas that are in development, among other issues.
- The Secretariat will invite CSOs, including indigenous peoples' representatives and other potentially interested stakeholders and members of the public, to GEF workshops, including Expanded Constituency Workshops (see Section 10).
- The GEF Secretariat will conduct webinars to provide updated information on issues of interest.

**For Consultation**—the two main areas of action are:

- **Setting national priorities**, by organizing a consultative process to establish priorities for its portfolio of GEF-financed projects and programs for the 4-year GEF cycle. The National Portfolio Formulation Exercises (see Section 10) are one of these priority setting exercises, which can be enhanced by establishing GEF national steering committees. These committees, coordinated by the Operational Focal Point provide the basis for broad consultation with key stakeholders in the country.
- **National Dialogue**, for country-level multi-stakeholder dialogues so that information and experiences can be shared. These dialogues represent open consultation forums between the Operational Focal Point and key national stakeholders to exchange information and share updates on project development within the country, including opportunities for CSO and other stakeholders' involvement in these initiatives.

**For Consultation and Stakeholder Participation in Projects and Programs**—because different levels of consultation and stakeholder participation can lead to partnerships in project design and implementation, actions include:

- CSOs or other stakeholder group may propose, or be invited to propose, project and program ideas to the Government, through the Operational Focal Point.
- The Operational Focal Point should consult with relevant CSOs and other stakeholders on their willingness and availability to participate actively in the project.
- GEF Partner Agencies shall undertake various steps to involve stakeholders from civil society, including Indigenous

Peoples, adequately during project development.

## Indigenous Peoples

The GEF recognizes the important role that indigenous peoples play in protecting the global environment. The *Principles and Guidelines for Engagement with Indigenous Peoples* provide practical guidance to operationalize GEF policies related to the involvement of indigenous peoples in GEF's interventions—the *Policy on Public Involvement in GEF-financed Projects* and the *Policy on Agency Minimum Standards on Environmental and Social Safeguards* (both explained in this section).

The *Principles and Guidelines* take into account the engagement of indigenous peoples in the various stages of GEF projects and programs:

- **Planning and development.** GEF Agencies are required to prepare a detailed plan for any GEF-financed project that is anticipated to adversely affect indigenous peoples.
- **Participation, rights and governance.** GEF Agencies will ensure that GEF-financed projects do not undermine indigenous peoples' efforts to maintain ownership and access to their lands, territories, and resources; and the application of a standard of free, prior and informed consent for GEF-financed projects, among others.
- **Resettlement.** The GEF does not finance involuntary resettlement of indigenous peoples.
- **Traditional knowledge and benefit sharing.** The GEF recognizes and respects the importance of traditional knowledge, innovations and practices to the long-term well-being of indigenous peoples; and the importance of appropriate access to, and equitable sharing of, benefits related to the utilization of genetic resources and associated traditional knowledge of indigenous peoples; among others.
- **Gender equality.** The GEF supports the empowerment, participation and leadership of indigenous women and men in its projects.
- **Accountability, grievances, and conflict resolution.** The GEF and its Agencies will facilitate access by indigenous peoples to grievance and dispute resolution systems to addressing project concerns—at the local and country level, and if unresolved, at the GEF Agency and GEF Secretariat levels.

## Gender Mainstreaming

Gender equality is an important goal in the context of GEF-financed projects because it advances both the GEF's goals for attaining global environmental benefits



and the goal of gender equity and social inclusion. The *Policy on Gender Mainstreaming* commits the GEF to address the link between gender equality and environmental sustainability and towards gender mainstreaming in its policies, programs, and operations.

The objective of the Policy is to strive to attain the goal of gender equality, the equal treatment of women and men, including the equal access to resources and services through its operations. To accomplish this goal, the GEF Secretariat and GEF Agencies shall mainstream gender into their operations, including efforts to analyze systematically and address the specific needs of both women and men in GEF projects.

In order to be eligible to receive GEF financing, all GEF Agencies are required to have established policies, strategies, or action plans that promote gender equality.

The Policy requires GEF Agencies to satisfy the following seven minimum requirements to ensure gender mainstreaming in GEF projects:

1. Institutional capacity for gender mainstreaming.
2. Consideration of gender elements in project design, implementation and review.
3. Undertaking of project gender analysis.
4. Measures to minimize/mitigate adverse gender impacts.
5. Integration of gender sensitive activities.
6. Monitoring and evaluation of gender mainstreaming progress.
7. Inclusion of gender experts in projects.

A *Gender Equality Action Plan* provides a concrete road

map to effectively implement the Policy on Gender Mainstreaming. Key actions to be undertaken to further gender mainstreaming in GEF operations include:

1. **Project cycle**—Develop a guideline paper on mainstreaming gender in GEF project cycle to harmonize Agencies' different gender policy, strategy, and/or action plan.
2. **Programming and policies**—Incorporate and strengthen gender elements in key GEF programs and projects, including Integrated Approach Pilots and Small Grants Programme; support gender responsive projects; mainstream gender in key strategic GEF Council Documents, including relevant policies and guidelines, and review and, as necessary, update the Policy.
3. **Knowledge management**—Generate knowledge on gender and global environment; develop an interactive gender equality webpage on the GEF website; and develop analytical products on thematic issues, aligned with the gender learning questions to be identified under each focal area and their results framework.
4. **Results-based management**—Report on the annual progress on the implementation of the Gender Equality Action Plan; monitor and report on the GEF-6 core gender indicators at the corporate level (see Section 8); review and identify gender-responsive focal area indicators; and evaluate gender equality results of GEF projects.
5. **Capacity development**—Enhance staff capacity and expertise at the GEF Secretariat to oversee coordination to implement the Gender Equality Action Plan; and provide support and guidance on the implementation of the Policy to the GEF Operational Focal Points and other partners.

## Monitoring and Evaluation

Monitoring and evaluation (M&E) of projects and programs allows the GEF to track progress in fulfilling its mission of delivering global environmental benefits, as well as to promote learning, feedback, and knowledge sharing on results and lessons learned.

The *Monitoring and Evaluation Policy* sets minimum requirements and key principles for M&E at the project and program levels, including:

- GEF project and program objectives and intended results should be specific and measurable, so as to make it possible to monitor and evaluate the project and program effectively.
- GEF project and program monitoring provides the GEF Agency with a basis for decision-making on progress and the GEF with information on results. Thus, monitoring would rely on both qualitative and quantitative data to report accurately on the production of outputs and progress toward outcomes, identify key implementation issues, and propose actions to solve these.
- Project and program evaluations should serve to provide lessons learned and recommendations for future projects, programs, policies, or portfolios. Each evaluation will assess results (outputs, outcomes, and impact) according to the criteria of relevance, effectiveness, efficiency (cost-effectiveness), and sustainability, as applicable.

To harmonize the principles used by the GEF Agencies' monitoring systems, the GEF adopted the SMART criteria (see Box 15).

The minimum requirements established by the *Monitoring and Evaluation Policy* are:

### *Minimum Requirement 1: Design of M&E Plans*

All projects and programs will include a concrete and fully budgeted M&E plan by the time of CEO endorsement for full-size projects and CEO approval for medium-size projects. The project logical frameworks should align, where appropriate, to the GEF's focal area results frameworks. The M&E plan should contain SMART indicators, baseline for the project or program, reviews and evaluations to be undertaken, and organizational set-up and budgets for M&E.

### *Minimum Requirement 2: Application of M&E Plans*

Project and program monitoring and supervision will include implementation of the M&E plan, including SMART indicators used for implementation and for results measured, baseline, and organizational set-up for M&E and its budget.

## BOX 15: SMART Criteria

For the GEF, the SMART criteria applied for monitoring systems include the following key elements:

- **Specific.** The system captures the essence of the desired result by clearly and directly relating to the achievement of an objective and only that objective.
- **Measurable.** The monitoring system and indicators are unambiguously specified so that all parties agree on what they cover and there are practical ways to measure them.
- **Achievable and Attributable.** The system identifies what changes are anticipated as a result of the intervention and whether the results are realistic. Attribution requires that changes in the targeted developmental issue can be linked to the intervention.
- **Relevant and Realistic.** The system establishes levels of performance that are likely to be achieved in a practical manner and that reflect the expectations of stakeholders.
- **Time-Bound, Timely, Trackable and Targeted.** The system allows progress to be tracked in a cost-effective manner at the desired frequency for a set period, with clear identification of the particular stakeholder group(s) to be affected by the project or program.

### *Minimum Requirement 3: Project and Program Evaluation*

Full-sized projects and programs will be evaluated at the end of implementation. This terminal evaluation will assess the achievement of outputs and outcomes, and the likelihood of sustainability of outcomes at project or program termination. The terminal evaluation report should be sent to the GEF Independent Evaluation Office within 12 months of completion of project or program implementation.

### *Minimum Requirement 4: Engagement of Operational Focal Points*

Projects and programs will engage Operational Focal Points to keep them informed and, where applicable and feasible, involved on M&E activities in the projects and programs in their national portfolio.



## Non-Grant Instruments

GEF financing can be provided as grant or as concessional finance. Projects and programs supported by concessional funding use non-grant instruments to receive GEF support.

For the GEF, a non-grant instrument is a mechanism to provide financing in a form that has the potential to generate reflows or financial returns, irrespective of whether such financial returns flow back to the GEF Trust Fund or not.

The *Policy on Non-Grant Instruments* sets the framework and principles for the use and management of non-grant instruments in GEF-financed projects and programs.

A GEF Agency is eligible to provide GEF concessional finance if it meets the following criteria:

- a. Ability to accept financial returns and transfer from the GEF Partner Agency to the GEF Trust Fund.
- b. Ability to monitor compliance with non-grant instrument repayment terms.
- c. Capacity to track financial returns (semester billing and receiving).
- d. Commitment to transfer reflows twice a year to the GEF Trust Fund.

And, in case of concessional finance for private sector beneficiaries:

- e. Track-record of repaid principal and financial returns from private sector beneficiaries to the GEF Agency.

And, in case of concessional finance for public sector recipients:

- f. Track-record of lending or financing arrangements with public sector recipients.
- g. Established relationship with the beneficiary countries' Ministry of Finance or equivalent.

The requirements for GEF Agencies to monitor, report and manage reflows, include:

- The GEF Agency should indicate a timeline when all investments are to be completed and an indicative schedule of reflows, at the time of project proposal submission. At the CEO Endorsement Request stage, the GEF Partner Agency specifies the non-grant instrument term and an updated schedule of reflows.
- Each GEF Agency is responsible for receiving and monitoring financial returns in accordance with its own financial management policies and procedures.
- Each GEF Partner Agency seeks to recover outstanding balances, recognizing that the risk of non-payment by a beneficiary can reduce reflows.
- For the management of reflows, the GEF Agency receives and holds the financial returns arising out of non-grant instruments; all actual reflows are transferred

to the Trustee at least twice a year; and informs the Trustee about reflows, on a quarterly basis.

## Cancellation of Projects and Uncommitted Program Funds

To improve its efficiency, the GEF set deadlines for the time it takes to prepare and deliver projects. If these deadlines are not met, projects and uncommitted program funds can be cancelled.

The principles, rules, and procedures to cancel projects or uncommitted funds approved as part of a program are set by the *Cancellation of Projects and Uncommitted Program Funds Policy*. These include:

For FSPs, the deadline for CEO endorsement is **18 months** after PIF approval by the Council. If a project has not been submitted for CEO endorsement after 12 months, the Secretariat notifies the GEF Agency and the Operational Focal Point of the expectation to receive the project for endorsement within the next six months. If after 18 months, the project has not been submitted, the CEO notifies the GEF Agency, the recipient country Operational Focal Point, and the Trustee informing them of the cancellation of the project. If a project is cancelled by the CEO, it may be resubmitted for CEO endorsement within one year from the effective date of cancellation without resubmitting a PIF.

Programs include a **commitment deadline** before which all child projects need to be submitted for CEO endorsement. The deadline is agreed with the GEF Agency prior to the submission of the Program Framework Document for Council approval. Six months before this deadline, in case there are still program funds that are awaiting submission of child projects for CEO endorsement, the Secretariat sends a notification to the GEF Agency. If the commitment deadline is not met, the CEO notifies the GEF Agency and the Trustee in writing of the cancellation for the remaining program funds. The GEF Agency informs all relevant stakeholders engaged in the program of the cancellation.

Another provision of the Policy is when corruption or fraudulent practices during procurement of a contract is uncovered. In such cases, the recipient country, the GEF Agency or the CEO may also cancel or suspend a project, after the grantee/borrower has failed to take action acceptable to the GEF to remedy the situation.



## Minimum Standards on Environmental and Social Safeguards

A key principle that the GEF has followed is that GEF-financed operations that achieve benefits in one area should not lead to adverse environmental or social impacts in other areas. The expansion of the GEF partnership, which currently includes 18 Agencies, required the harmonization of safeguard systems, which are set by the Policy on Agency Minimum Standards on Environmental and Social Safeguards.

The purpose of the Policy is to support environmentally sustainable development by ensuring that the GEF and its Agencies undertake sufficient efforts to avoid, minimize, mitigate, and where appropriate, offset any adverse impacts to people and the environment from GEF-financed operations.

The following principles apply to GEF-financed projects:

- a. The GEF shall not finance activities that degrade or convert critical natural habitats.
- b. The GEF shall not finance the construction or rehabilitation of large or complex dams.
- c. The GEF shall not finance the introduction or use of potentially invasive, non-indigenous species.
- d. GEF projects shall seek to avoid involuntary resettlement. Where it is not feasible to avoid resettlement, all efforts will be made to minimize involuntary resettlement and all viable alternatives will be explored. In this context, GEF will not finance the cost of the physical relocation or displacement of people.
- e. GEF-financed projects shall not use or promote the use of any substances listed under the Stockholm Convention on Persistent Organic Pollutants.

The minimum standards on environmental and social safeguards established by the Policy are:

### *Minimum Standard 1: Environmental and Social Impact Assessment*

GEF Agencies ensure that Environmental and Social Impact Assessments of proposed projects are conducted to ensure the environmental and social soundness and sustainability of GEF-financed projects.

### *Minimum Standard 2: Protection of Natural Habitats*

GEF Agencies support the sustainable management, the protection, conservation, maintenance, and rehabilitation of natural habitats and their associated biodiversity and ecosystem functions, to ensure that environmentally sustainable development is promoted.

### **Minimum Standard 3: Involuntary Resettlement**

GEF Agencies should ensure that involuntary resettlement is avoided or minimized. Where this is not feasible, the Agencies are required to ensure displaced persons are assisted in improving or at least restoring their livelihoods and standards of living in real terms relative to pre-displacement levels or to levels prevailing prior to the beginning of project implementation, whichever is higher.

### **Minimum Standard 4: Indigenous Peoples**

GEF Agencies are required to ensure that projects are designed and implemented in such a way that fosters full respect for indigenous peoples' (see Box 16) and their members' dignity, human rights, and cultural uniqueness so that they receive culturally appropriate social and economic benefits; and do not suffer adverse effects during the development process.

### **Minimum Standard 5: Pest Management**

GEF Agencies need to ensure the environmental and health risks associated with pesticide use are minimized and managed, and that safe, effective, and environmentally sound pest management is promoted and supported.

### **Minimum Standard 6: Physical Cultural Resources**

GEF Agencies are required to ensure physical cultural resources (PCR) are appropriately preserved and their destruction or damage is appropriately avoided. PCR, also known as "cultural heritage," cultural patrimony, "cultural assets," or "cultural property", includes archaeological, paleontological, historical, architectural, and sacred sites including graveyards, burial sites, and unique natural values. The impacts on physical cultural resources resulting from project activities, including mitigating measures, may not contravene either the recipient country's national legislation or its obligations under relevant international environmental treaties and agreements.

### **Minimum Standard 7: Safety of Dams**

GEF Agencies need to ensure quality and safety in the design and construction of new dams, and the rehabilitation of existing dams, on a scale that is appropriate to the Agency's mission. In addition, the Agency undertakes appropriate measures to ensure the quality and safety in the performance of existing dams on which the project may have an impact or that may affect the outcome of the project.

### **Minimum Standard 8: Accountability and Grievance Systems**

GEF Agencies have accountability systems or measures that are designed to ensure enforcement of its environmental and social safeguard policies and related systems,

and systems or measures for the receipt of and timely response to complaints from parties affected by the implementation of the GEF Agencies' projects and which seek resolution of such complaints. Such systems are not intended to substitute for the country-level dispute resolution and redress mechanisms.

GEF Agencies need to meet the criteria for Minimum Standard 1 and 2; and are expected to meet Minimum Standards 3 through 7. The minimum standards apply to all GEF Agencies, except for the World Bank. This is because the GEF safeguard standards are derived from a version of the World Bank's safeguard standards, and thus it is understood that the World Bank already meets the standards.

## **BOX 16: Free, Prior and Informed Consent of Indigenous Peoples**

The GEF recognizes that the identities and cultures of indigenous peoples are inextricably linked to the lands on which they live and the natural resources on which they depend. The GEF is dedicated to ensuring that its operations fully respect the dignity, human rights, economies, cultures, and traditional knowledge of indigenous peoples and their members. Thus, the GEF adopts a standard of free, prior and informed consent (FPIC) for GEF-financed projects for which FPIC is required by virtue of the relevant state's ratification of ILO Convention 169. GEF Agencies will ensure that project executors document: a) the mutually accepted consultation process between the project proponent and affected indigenous communities, and b) evidence of agreement between the parties as the outcome of the consultations. FPIC does not necessarily require unanimity and may be achieved even when individuals or groups within the community explicitly disagree.

For other projects, GEF Agencies will rely on their systems for consultation with indigenous peoples and will ensure that such consultations result in broad community support for the GEF-financed operation being proposed.





# Evaluating Impact

Evaluations provide the GEF with information and evidence to assess whether its projects, programs and policies are on the right track.

The GEF Independent Evaluation Office is responsible for undertaking the evaluation function within the GEF. Its mission is to enhance global environmental benefits through excellence, independence, and partnership in monitoring and evaluation.

The key tasks of the Independent Evaluation Office are:

- **Setting minimum requirements** for GEF Monitoring and Evaluation, through the *GEF Monitoring and Evaluation Policy* (see Section 6).
- **Ensuring oversight** of the quality of monitoring systems and of project and program evaluations. The information from evaluations provides an independent, credible, reliable, and useful tool for decision-making. It enables the GEF to timely incorporate the findings, recommendations and lessons in the development of policies and strategies; as well as the programming and implementation of projects and programs.
- **Sharing and disseminating knowledge** on lessons learned and best practices captured through evaluations. Knowledge sharing enables GEF partners to capitalize on lessons learned by gaining insight and understanding from experience. It also supports evidence-based decision-making on policies and strategies by building a comprehensive body of evidence, lessons learned, and good practices from a number of evaluations reports.



## Evaluations and Studies

The Independent Evaluation Office produces various types of evaluation reports and studies. These are:

- **Performance Evaluations** provide the GEF Council, other GEF partners and stakeholders with feedback for ongoing improvement of the portfolio as well as the quality of project monitoring and evaluation across the portfolio. These assessments are consolidated into the **Annual Performance Reports** submitted to the Council, which include, for example, reports on project outcomes, sustainability of outcomes, quality of project implementation and execution, trends in co-financing, trends in project completion extensions, quality of project monitoring and evaluation systems, and quality of terminal evaluation reports. The Performance Evaluations can be reviewed on the GEF website<sup>15</sup>.
- **Country Portfolio Evaluations** analyze the totality of projects and programs supported by the GEF in a country. These evaluations review the performance and results of GEF-supported activities and assess how those activities align with country strategies and priorities as well as with GEF's priorities for global environmental benefits. Countries are selected through a process designed to ensure clarity and transparency; regional coverage; diversity of the portfolio, financial weight and maturity of the portfolio; among other key criteria. Some of these evaluations, for example, analyze 15 to 20 years of the country's experience with the GEF. The results of these assessments are summarized in Country Portfolio Studies. Findings from the Country Portfolio Evaluations and Studies are synthesized in an Annual Country Portfolio Evaluation Report, presented to the GEF Council. The Country Portfolio Evaluations can be accessed at the GEF website<sup>16</sup>.
- **Impact Evaluations** assess the long-term effects of GEF support, how results were achieved and what can be done to strengthen them. The focus of these evaluations is the achievement of the long-term global environmental benefits, to which the GEF is expected to contribute. Examples of this type of reviews include the Evaluations of GEF International Waters Support to the South China Sea and Adjacent Areas, covering 34 projects in 7 countries and spanning 20 years of GEF support; and Impact Evaluation on Climate Change Mitigation: GEF Support to Market Change in China, India, Mexico and Russia, including 18 completed climate change mitigation projects covering various sectors. The Impact Evaluations are synthesized into the **Annual Impact Reports**, submitted to the GEF Council. The Impact Evaluations are available at the GEF website<sup>17</sup>.
- **Thematic Evaluations** assess topics of concern to all GEF activities and provide a basis for decision-making and lesson learning on a specific theme. These evaluations are organized in the following categories:
  - a. **Program Evaluations** aimed at capturing lessons from strategic priorities, key programs and funds administered by the GEF. Examples include evaluations of the Special Climate Change Fund, the Least Developed Countries Fund, the GEF Earth Fund Review, and the GEF Small Grants Programme.

15 <https://www.thegef.org/gef/PerformanceEvaluations>

16 <http://www.thegef.org/gef/CPE>

17 <https://www.thegef.org/gef/ImpactEvaluations>

- b. **Process Evaluations** focused on the assessment of experiences with GEF policies, criteria and procedures. Included in this category are the evaluation of the Resource Allocation Framework and the Joint Evaluation of the GEF Project Cycle and Modalities.
- c. **Focal Area Evaluations** centered on evaluating the performance and results achieved under a focal area. Examples of these evaluations include the GEF Focal Area Strategies, GEF Support to Biosafety, the Climate Change Program Study, the Biodiversity Program Study, and the International Waters Program Study.
- d. **Cross-Sectoral Evaluations** aimed at providing evidence on issues across focal areas and activities, such as the Evaluation of the National Capacity Self-Assessment program, the GEF Capacity Development Activities and the Evaluation of The Role of Local Benefits in Global Environmental Programs.

All thematic evaluations undertaken during a year are consolidated in the Annual Thematic Evaluation Report, which is submitted to the GEF Council. The Thematic Evaluations can be reviewed on the GEF website<sup>18</sup>.

- **Overall Performance Studies (OPS)** of the GEF. These studies are undertaken every four years to inform GEF donors before every replenishment. The studies assess the extent to which the GEF is achieving its objectives and identify potential areas of improvement. The OPSs are undertaken by a combination of methods and approaches, including literature and document reviews, desk studies, portfolio analysis, field visits and verifications, interviews and surveys, and stakeholder consultations. Other types of evaluations and studies feed into the overall assessment for the OPS. The OPSs can be reviewed on the GEF website<sup>19</sup>.
- **Signposts** summarize evaluations and studies, highlighting key findings and recommendations. These 2-page summaries are produced for most types of evaluations, including Country Portfolio Evaluations, Annual Impact Reports, Overall Performance Studies, among others. To facilitate knowledge sharing, Signposts are available in English, French, and Spanish, and can be accessed on the GEF website<sup>20</sup>.



18 <https://www.thegef.org/gef/ThematicEvaluations>

19 <http://www.thegef.org/gef/OPSs>

20 <http://www.thegef.org/gef/Signposts>







# Measuring Results

The way the GEF ensures that all funded activities are generating global environmental benefits is by measuring the results achieved by the projects and programs supported. This is done through the results-based management system.

Through the information and evidence-based tools provided by the results-based management system, the GEF can systematically improve its effectiveness and target its resources more strategically. Learning from results achieved enables the network of GEF partners to better inform decision-making.

Results-based management focuses on *how* and *what* results need to be measured by:

- Defining realistic expected results and targets for every focal area.
- Monitoring progress toward the achievement of expected results and targets.
- Integrating lessons learned into management decisions.
- Reporting on performance.

Monitoring and reporting of results are done at three levels –project, focal area portfolio and overall for a GEF replenishment cycle. All these levels are connected, since results from the project level contribute towards achieving the results at the focal area level and the overall corporate level results. The key elements of the results-based management system, by level, are:

## Project Level Results

The building blocks of the results-based management system are the projects. Each GEF-funded project is required to have a results framework that details its expected results, which need to be aligned with the focal area objectives addressed by the project. A set of indicators for the focal area strategy, as well as for each program have been identified in the results framework for each focal area.

At the project design phase, all projects must include a results framework, linking project goals and activities to specific output and outcome indicators. These outputs and outcomes should be aligned with the focal area programs that the project is addressing. These outcomes are monitored and measured through the corresponding indicators identified under each focal area program.

The GEF Agency is responsible for monitoring and reporting results at the project level. The results framework and the M&E plan enable the GEF Agency to monitor and report on progress during implementation of the project at two stages:

- **Mid-term**—Monitoring the implementation of activities at midpoint allows the GEF Agency and the executing partner to assess if results are being achieved as planned and expected. If necessary, corrections can be made to the implementation plan.
- **Completion**—Once a project has been completed, terminal evaluations provide the necessary information to assess results achieved. Lessons learned and good practices can be drawn from this assessment.

## Focal Area Level Results

At the portfolio level, progress made by projects that are under implementation is monitored through the Annual Monitoring Review, prepared by the GEF Secretariat.

The Annual Monitoring Reviews provide an annual snapshot of the overall state of the GEF's portfolio under implementation. These reviews, submitted by the GEF Agencies for projects under implementation in a fiscal year, are based on individual Project Implementation Reports, Mid-term Reviews, Terminal Evaluations, in addition to tracking tools. The tracking tools by focal area are completed by the GEF Agencies three times in the lifetime of a project: at approval stage, at mid-term and at project completion.

The Annual Monitoring Reviews are submitted to the GEF Council twice a year—Part One includes a quantitative overview of information on the portfolio under implementation, and Part Two focuses on a more in-depth analysis of outcomes, experiences and lessons learned.

Key statistics from the Annual Monitoring Review are summarized in a Data Mapping Portal<sup>21</sup>—a public, user-friendly portal for interested stakeholders to access data from the annual review reports and retrieve information in a user-friendly way. Information and key figures on projects can be accessed in an interactive map, organized by country, status (completed, approved, under implementation), GEF Agency, focal area, region and country, number of projects and/or grant volume.

The Data Mapping Portal utilizes data for projects under implementation in a fiscal year. The complete list of all GEF-funded projects in a country can be consulted in the country profile page on the GEF website<sup>22</sup>.

The Independent Evaluation Office also contributes to the assessment of results and impact of GEF interventions (see Section 7).

## Corporate Level Results

A select set of core indicators by focal area were selected to measure the results of GEF interventions in the entire replenishment cycle.

Every project proposal has to include the expected contribution of the proposed activities to the achievement of the overall results for GEF-6 (see Table 1). The results set by focal area are aligned with each focal area results framework (see Section 3).

The GEF Secretariat compiles and reports to Council on the overall progress towards meeting these long-term results. These reports are produced at mid-term and at the conclusion of the GEF replenishment cycle.

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21 <https://www.thegef.org/gef/RBM>

22 [http://www.thegef.org/gef/country\\_profile](http://www.thegef.org/gef/country_profile)

Table 1: GEF-6 Project Target Contributions to Global Environmental Benefits

FOCAL AREA	RESULTS	TARGETS
BIODIVERSITY	1. Maintain globally significant biodiversity and the ecosystem goods and services that it provides to society	<ul style="list-style-type: none"> <li>Improved management of landscapes and seascapes covering 300 million hectares</li> </ul>
CLIMATE CHANGE	4. Support to transformational shifts towards a low-emission and resilient development path	<ul style="list-style-type: none"> <li>750 million tons of CO<sub>2</sub>-equivalent mitigated</li> </ul>
LAND DEGRADATION	2. Sustainable land management in production systems (agriculture, rangelands, and forest landscapes)	<ul style="list-style-type: none"> <li>120 million hectares under sustainable land management.</li> </ul>
INTERNATIONAL WATERS	3. Promotion of collective management of transboundary water systems and implementation of the full range of policy, legal, and institutional reforms and investments contributing to sustainable use and maintenance of ecosystem services	<ul style="list-style-type: none"> <li>Water-Food-Energy-Ecosystems security and conjunctive management of surface and groundwater in at least 10 freshwater basins.</li> <li>20% of globally over-exploited fisheries (by volume) moved to more sustainable levels</li> </ul>
CHEMICALS AND WASTE	5. Increase in phase-out, disposal and reduction of releases of POPs, ODS, mercury and other chemicals of global concern	<ul style="list-style-type: none"> <li>Disposal of 80,000 tons of POPs (PCB, obsolete pesticides)</li> <li>Reduction of 1000 tons of Mercury</li> <li>Phase-out of 303.44 tons of ODP (HCFC)</li> </ul>
CROSS-CUTTING CAPACITY DEVELOPMENT	6. Enhance capacity of countries to implement multilateral environmental agreements (MEAs) and mainstream MEAs into national and sub-national policy, planning financial and legal frameworks.	<ul style="list-style-type: none"> <li>Development and sectoral planning frameworks integrate measurable targets drawn from the MEAs in at least 10 countries</li> <li>Functional environmental information systems are established to support decision-making in at least 10 countries</li> </ul>

## Gender Indicators

A set of gender indicators will measure progress towards gender equality and the empowerment of women in GEF projects. The five gender indicators are:

1. Percentage of projects that have conducted gender analysis during project preparation.
2. Percentage of projects that have incorporated a gender sensitive project results framework, including gender sensitive actions, indicators, targets, and/or budget.
3. Share of women and men as direct beneficiaries of project.

4. Number of national/regional/global policies, legislations, plan, and strategies that incorporate gender dimensions.
5. Percentage of Project Implementation Reports, Mid-term Evaluation and Terminal Evaluation Reports that incorporate gender equality and women's empowerment and assess results/progress.

The gender indicators will be applied to projects under all GEF focal areas and Integrated Approaches, and will be monitored at the focal area and corporate levels.





# Generating and Sharing Knowledge

Important lessons can be learned from the results achieved by GEF projects and programs. These results and lessons learned are continuously tracked and analyzed within the GEF, bringing about a wealth of knowledge. The process of generating and sharing knowledge is done through knowledge management.

Knowledge management focuses on *codifying* and *sharing results and lessons*. These knowledge-based tools are inextricably linked to the evidence-based tools achieved through the results-based management system (see Section 8). As with the results-based management system, projects are the cornerstone of knowledge management.

The purpose of the GEF knowledge management framework is to facilitate the capture, exchange and uptake of knowledge within and beyond the GEF partnership.

In GEF-6, knowledge management within the GEF partnership will be further strengthened to:

1. Inform global, regional and national policy dialogues on options and approaches to reverse the course of environmental degradation, by systematically gathering and sharing lessons with a special emphasis on developing and disseminating knowledge on how to catalyze systemic transformations.
2. Improve the impact of GEF-supported projects and programs, by ensuring that the design and implementation of GEF project and programs are informed by the successes and failures of other recent and past interventions across the GEF partnership.



## Knowledge Management Products and Initiatives

To effectively share knowledge products, the GEF uses various channels. It also supports knowledge initiatives. Some examples include:

- **Publications and Multimedia Materials.** A series of publications and supporting multimedia materials are produced on key areas of interest on GEF's experience. These products include analysis and lessons learned at the portfolio level, highlights from projects and programs, interviews and stories from the field, among other elements. They are produced in various easy-to-access formats, to enable greater sharing of lessons within the GEF network as well as with interested policy-makers and stakeholders. All publications and multimedia materials are available on the GEF website. Some examples include: GEF Investments on Payments for Ecosystem Services Schemes; Closing the Gap: GEF Experiences in Global Energy Efficiency; Contributing to Global Security: GEF Action on Water, Environment and Sustainable Livelihoods; Indigenous Women and Natural Resource Management; Mission: Planet De-Tox, among many others.
- **GEF-supported Knowledge Platforms.** With GEF support, knowledge platforms were established to promote experience sharing and learning among multiple stakeholders on GEF focal areas. These knowledge-sharing platforms provide targeted training and learning, coordinate regional and global dialogue and build partnerships. Some examples include the International Waters Learning Exchange and Resource Network (IW: Learn) and the Adaptation Learning Mechanism (see Box 17).
- **Country Support Programme.** Aimed at providing targeted support to recipient countries, the Country Support Programme strengthens the capacity of GEF Focal Points, convention focal points and national stakeholders to effectively work with the GEF. It also supports information and knowledge sharing among Focal Points and other stakeholders, to improve coordination at the national and constituency levels. The program is implemented by the GEF Secretariat through various activities (see Section 10).
- **Learning Missions.** In coordination with GEF Agencies and STAP, the GEF Secretariat undertakes learning missions to provide on-ground analysis of the execution of projects. Analysis from the portfolio monitoring and lessons derived from these learning missions are used to improve focal area strategies and policies, and to inform project design and implementation. A series of publications, titled *Knowledge from the Field*, complement the reports from the learning missions, aimed at sharing the lessons captured by GEF staff during the on-the-ground reviews.



### BOX 17: GEF-supported Knowledge Platforms

- **IW: Learn.** A knowledge-sharing platform ([www.iwlearn.net](http://www.iwlearn.net)) that provides a centralized knowledge management system for the International Waters portfolio. The platform promotes peer-to-peer learning and South-South cooperation, facilitates targeted training workshops addressing common capacity building needs among partners, and disseminates a range of products capturing experiences and results through videos and publications.
- **Adaptation Learning Mechanism.** A knowledge-sharing platform on Climate Change Adaptation ([www.undp-alm.org](http://www.undp-alm.org)). That captures the current state of knowledge on planning, implementing, and integrating adaptation in development; identifies gaps in adaptation knowledge by drawing lessons from experience on the ground; and develops responses to these knowledge gaps to support adaptation planning by the GEF and other stakeholders.







# Consolidating Multi- Stakeholder Coordination

For more than two decades, the GEF has been successful in achieving global impact through its interventions. The building block for its success is the way GEF partners work together.

The GEF partnership is complex, involving a broad range of stakeholders—from international organizations, government agencies in recipient and donor member countries, multilateral environmental agreements, the private sector, and civil society, among many others.

To build on and further strengthen these partnerships, in particular at the country level, a closer relationship with national and local governments will be sought in GEF-6. This is because GEF government counterparts play a critical role in mobilizing partners, such as peer agencies, nationally and sub-nationally, as well as private sector and civil society stakeholders; and promoting critical cross-country partnerships.

Because of the evolving nature of the GEF, partners need to be up-to-date with new procedures, strategies and rules. The **Country Relations Strategy** supports countries by informing, assisting and empowering them, so that they can fully benefit from the GEF partnership and effectively use the resources available by:

- Enhancing countries' understanding and adoption of the new approaches, strategies, procedures and rules of GEF-6.
- Using GEF funds in the most cost-efficient way, through the empowerment of partners in countries, leading to the realization of projects, programs and activities with greater impact that are validated and broadly supported.

- Continuing to provide timely information and advice on GEF issues for all country focal points and other stakeholders.

The **Country Support Programme**, implemented by the GEF Secretariat, is the main tool for carrying out the Strategy. Some activities are specifically targeted at the country level, while others are focused on supporting Council members and new GEF partners. The program includes the following activities:

## GEF National Portfolio Formulation Exercises

The National Portfolio Formulation Exercises help recipient countries build or further strengthen national processes and mechanisms to facilitate the programming of GEF resources.

These multi-stakeholder exercises are done at the beginning of a GEF replenishment cycle, to discuss and agree on the priorities that the country will be focusing on during the 4-year period.

Under the coordination of the country's Operational Focal Point, these multi-stakeholder national planning exercises engage the ministries of environment, agriculture, industry, energy, planning and finance; the convention focal points; the SGP national coordinator, as well as representatives of civil society and community organizations and the private sector, among others.

These exercises promote national ownership in the identification and prioritization of specific project ideas, while aligning the programming of GEF resources with other relevant strategies and national planning processes.

The result of the national portfolio exercise is the National Portfolio Formulation Document, which guides the programming of GEF resources in the country. This document summarizes:

1. All stakeholders involved and consultations and/or meetings held.
2. The country's environmental challenges in different sectors and strategies to address them.
3. The list and descriptions of the priority projects and/or programmatic approaches that have been identified by the country and that are eligible under the GEF-6 focal area strategies as well as their estimated costs.
4. Potential areas for regional collaboration.

The National Portfolio Formulation Exercises are optional, and not a prerequisite to obtain GEF funding.

To assist countries in the prioritization and identification of key initiatives for GEF support, the GEF Secretariat provides support for the National Portfolio Formulation Exercises at the request of the Operational Focal Point, usually at the start of a GEF replenishment cycle. GEF technical teams and GEF Agencies can provide technical support, as necessary.

## GEF National Dialogues

GEF National Dialogues represent a strategic tool for promoting the mainstreaming of global environmental concepts into national strategies, plans and policy frameworks.

These dialogues are multi-stakeholder in nature, engaging line ministries, government agencies, civil society and community organizations, academic and research institutions, the private sector, as well as other donors in the country.

National Dialogues provide a forum for consultation and validation. As a result, countries are better placed to develop national strategies and plans that incorporate global environment issues, strengthen national inter-sectoral coordination related to GEF focal areas, and promote the integration of global environment matters in national environmental and sustainable development plans and processes.

GEF National Dialogues are available to all recipient countries at the request of the Operational Focal Point. Each National Dialogue is coordinated as a collaborative effort between the GEF Secretariat, the Operational Focal Point and the GEF Agencies to adapt the contents to the country's particular requirements.

## GEF Workshops

The GEF workshops aim at keeping partners up-to-date with GEF policies and procedures, including new focal area strategies and priorities. The Secretariat organizes two types of workshops:

1. The Expanded Constituency Workshops (ECWs), which bring together GEF government focal points, convention focal points, civil society organizations and other

key stakeholders from neighbor countries within a regional constituency. These 2-day training meetings are an opportunity for focal points to meet with their counterparts and other stakeholders from other countries in the region. The workshops provide the opportunity to:

- Discuss and review new policies and procedures related to the GEF-6 business model.
- Encourage and enhance coordination among GEF partners, through their interactive participation.
- Provide an opportunity to exchange lessons, knowledge and experience with GEF projects.
- Analyze different aspects of GEF work in depth.
- Serve as a South-South exchange of experiences platform.

The participation of seven representatives from each country is covered by the GEF Secretariat: GEF Political Focal Point, GEF Operational Focal Point, four national Convention Focal Points (CBD, UNCCD, UNFCCC, Stockholm or Minamata Convention), as well as one representative from civil society.

More information, including the calendar for the ECWs, can be found on the GEF website<sup>23</sup>.

2. Workshops to address a specific need, in consultation with countries and Agencies, facilitate work on issues such as trans-boundary collaboration, regional programming, specific projects and programs and other issues based on thematic and geographic areas.

Developed countries are invited to participate in all these workshops, to promote a deeper understanding of shared issues and concerns.

## GEF Introduction Seminars

The purpose of the Introduction Seminars is to provide necessary information and training to new GEF Agency staff, Convention Secretariat staff, new GEF Focal Points and selected stakeholders.

Other audiences that are critical to the GEF's mandate are also be invited to participate, including national line ministries, the media, other key international organizations and the private sector.

These seminars are organized once a year, in Washington, D.C., for two days.

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<sup>23</sup> [http://www.thegef.org/gef/CSP\\_ECW](http://www.thegef.org/gef/CSP_ECW)

## GEF Constituency Meetings

GEF member countries are represented in the GEF Council through constituencies, which usually include various countries. Thus, face-to-face consultation and coordination among Council Members are crucial before Council meetings.

The Constituency Meetings are the main tool for Council Members to meet with their constituency partners to discuss and define common positions prior to their participation in Council meetings.

Each Constituency may request two meetings per calendar year, one before each Council meeting. These meetings are organized at the request of the Council Member and are attended by the GEF Political and Operational Focal Points of the constituency's member countries.

## Pre-Council Meeting for Developing Country Constituencies

Council and Alternate Members from recipient country constituencies have an additional option to meet in Washington, D.C. prior to the bi-annual Council meetings. During these pre-Council meetings, Council Members have the opportunity to exchange views, positions and perspectives in relation to the Council documents.





# Building Partnerships with Civil Society

Partnership building is at the core of the GEF operations. One of the most strategic partnerships the GEF has established is with civil society organizations (CSOs).

The term civil society organization is broad, and includes various and diverse types of non-governmental and not-for-profit organizations. Recognizing the definition of major groups agreed at the United Nations Conference on Environment and Development in 1992, civil society consists of nine major groups: non-governmental organizations, farmers, women, the scientific and technological community, youth and children, indigenous peoples and their communities, business and industry, workers and trade unions and local authorities.

The GEF-CSO partnership involves two main levels of engagement – projects and policy advocacy.

## CSO Partnership in GEF-funded Projects

The skills, experience, and knowledge of the CSO community play a key role in GEF-funded projects. By partnering with the GEF in projects, CSOs have been able to bring numerous stakeholders together, and create linkages among communities, CSOs and governments; encourage cooperation; and improve understanding and dialogue between the local and national levels.

Some of the most significant benefits of CSO involvement in GEF-funded projects include enhancing country ownership, ensuring that the needs of affected communities are adequately met, improving project design, implementation and evaluation, and helping to strengthen the capacities of civil society groups.

Key partnerships have been fostered in GEF projects by informing, consulting and engaging CSOs and other stakeholders, as set by the *Policy on Public Involvement in GEF-Financed Projects* (see Section 6).

There are numerous opportunities for CSOs to partner in GEF projects. These partnerships can be achieved in various stages of a project. Although not inclusive, the following list provides some examples of the contributions that CSOs can provide to a successful GEF project:

1. **Project design.** Designing a project that generates global environmental benefits is complex. It also requires a good knowledge of the national situation. CSOs can greatly contribute to the design of a proposal for GEF funding. By being part of the design of a project, CSOs ensure that the most appropriate and cost-effective activities are proposed. In addition, consultations and workshops with interested stakeholders and beneficiaries are activities in which CSOs can provide their particular expertise.
2. **Project implementation.** CSOs can partner with the lead executing agency of a project and also be part of its implementation. On average, a GEF-funded project may demand between three to five years of implementation, through numerous interconnected activities and components. Some of these components can be sub-contracted to CSOs, based on the unique expertise that an organization could provide to the project's objectives.
3. **Project execution.** Some CSOs can also execute a GEF-funded project. Since the scale of some projects is quite large, the screening of the institutional and administrative capacity of the organization is more rigorous.
4. **Project monitoring.** Some experienced CSOs can play a role in the monitoring of GEF projects, given their proximity to on-the-ground activities and knowledge of the local situation.

## CSO Partnership in Policy Advocacy

CSOs have become effective advocates in the GEF policy-making process, by engaging in a systematic and proactive manner at the international level. CSOs whose mandate, experience, expertise and capacity are relevant

to the work of the GEF have been actively contributing to the GEF's decision-making process through:

- Contributing to the governance and policy development by participating in consultations with the Council.
- Lobbying for donor contributions during replenishment negotiations.
- Awareness and outreach on global environmental issues.

The most significant contribution, however, has been through actively engaging in the GEF-CSO Consultation before every Council meeting, as well as participating in the Council meetings and the GEF Assembly. These meetings allow for a direct exchange of views between CSOs, the GEF Secretariat, the Agencies and Council members. During these meetings, CSOs voice concerns and comment on policies and projects, present positions on substantive policy-related issues, and share CSOs' practices and lessons in the implementation of projects.

CSO participation in the Consultation and Council meetings is coordinated through a partnership between the GEF and CSOs –the GEF-CSO Network (see Box 18).

### BOX 18: The GEF-CSO Network

The GEF-CSO Network is a voluntary and independent alliance of CSOs, established in 1995. Its goal is to strengthen civil society partnership with the GEF by enhancing public participation, contributing to policy implementation and stimulating action on the ground.

The Network supports the coordination of CSOs interested in taking part in the Consultations and Council meetings, as well regularly receiving GEF-related information. More than 400 organizations, whose work in the fields of environment and sustainable development is aligned with the GEF's mandate, are currently members of the GEF-CSO Network.

The GEF-CSO Network is overseen by a Coordination Committee composed of regional focal points from different geographic regions and representatives of indigenous people's organizations. The work of the Network is coordinated by an elected central focal point.

The list of all GEF-CSO Network members and focal points can be found on the GEF-CSO Network website<sup>24</sup>.

24 [www.gefcsso.org](http://www.gefcsso.org)

The influence of the GEF-CSO Network in policy advocacy has resulted in valuable input for key policies. For example, the GEF-CSO Network has been instrumental in coordinating and providing CSOs' feedback to develop the Guidelines for the Implementation of the Public Involvement Policy (See Section 6).

## Indigenous Peoples

Indigenous peoples are distinct communities where the land, territories and natural resources upon which they depend are inextricably linked to their identity and culture. Indigenous peoples' traditional knowledge and ecosystem management practices are recognized as highly relevant for environmental management, sustainable development and increased resilience.

The GEF has adopted a number of policies and principles to ensure that indigenous peoples are incorporated into all relevant aspects of GEF-supported work (see Section 6). As a key mechanism to implement these policies and principles, the GEF has established the Indigenous Peoples Advisory Group (IPAG). It consists of members of indigenous peoples' groups, an independent expert, a representative from the GEF Agencies and the GEF Secretariat. The IPAG meets regularly to discuss and implement important elements of the principles and guidelines, including capacity development, financial mechanisms, and monitoring for indigenous peoples related projects, among other issues relevant to enhancing coordination between indigenous peoples and the GEF. In addition, indigenous peoples are also actively represented in the GEF-CSO Network (see Box 14) through three indigenous peoples focal points.

*Partnership in Practice: Engagement with Indigenous Peoples*<sup>25</sup> documents the GEF's engagement with indigenous peoples. The publication includes a review of policies and strategies for the participation of indigenous peoples at the GEF, and an analysis of projects involving indigenous peoples, including highlights and lessons learned.

## Opportunities for CSO Participation and Partnership

Crucial opportunities for CSOs, indigenous peoples and other stakeholders to participate and contribute to the GEF at the country level include:

- **Engagement in priority setting and portfolio identification at the country level.** The engagement of CSOs, indigenous peoples and other stakeholders can greatly enhance the programming of GEF resources in a country. By interacting with the Operational Focal Point, various relevant ministries and other key stakeholders, CSOs are able to provide input into the identification of project ideas by participating in the National Portfolio Identification Exercises (see Section 10). CSOs can also provide advice on the planning of stakeholder engagement during project design.
- **Participation in the Expanded Constituency Workshops.** The participation of CSOs in the Expanded Constituency Workshops (see Section 10) enable them to keep up-to-date with GEF strategies, policies and procedures, as well as interact with the Operational Focal Point, convention focal points and other key stakeholders. These workshops provide opportunities to exchange views and experiences, as well as to strengthen interactions, which can lead to partnerships in GEF projects.
- **Consultation at the National Level.** The consultation with national CSOs is encouraged by the GEF, through an annual meeting. These consultations, which allow for an open dialogue regarding GEF issues in a country, are convened by the Operational Focal Point.

More information on the GEF-CSO partnership can be found on the GEF website<sup>26</sup>.

25 [http://www.thegef.org/gef/sites/thegef.org/files/publication/GEF%20IndigenousPeople\\_CRA\\_lores.pdf](http://www.thegef.org/gef/sites/thegef.org/files/publication/GEF%20IndigenousPeople_CRA_lores.pdf)

26 [www.thegef.org/gef/CSO](http://www.thegef.org/gef/CSO)







# Engaging with the Private Sector

The GEF has a longstanding engagement with the private sector. As the dominant driver of economic activity, the private sector can pursue commercially viable activities that also generate global environmental benefits.

A broad range of private sector entities have partnered with the GEF—from multinational corporations, large domestic firms and financial institutions to micro, small and medium enterprises. Various strategies are used to engage with the for-profit sector, including public-private partnerships, public-private alliances, cooperatives and other joint ownership enterprises, as well as micro-enterprises through the GEF Small Grants Programme (see Section 5).

The GEF adopted a strategy to enhance its engagement with the private sector, which is based on two pillars:

- Supporting greater access to financing for private sector companies pursuing innovative technologies and business models that yield benefits consistent with GEF focal area objectives;
- Stimulating the development, dissemination and implementation of new technologies.

Various initiatives and innovative modalities have been implemented through GEF projects and programs engaging the private sector (see Box 19).

In GEF-6, the engagement with the private sector will be further strengthened, in particular through the Integrated Approaches and the Non-Grant Instruments pilots.

## BOX 12: Examples of Private Sector Initiatives

Some examples of the initiatives being implemented with the engagement of the private sector include:

- **Clean-Tech Program for Small and Medium Enterprises (SMEs).** Through competitions, SMEs are supported to establish clean technologies commercial ventures. Several projects have received support to promote these innovative competitions focused on promoting clean energy technology innovations and entrepreneurship. Examples include the Clean-Tech Program for SMEs in India, Malaysia and Armenia.
- **Public-Private Partnership Programs with multilateral development banks to promote use of non-grant instruments.** Initiatives under this program are focused on investments using non-grant instruments. For example, the Inter-American Development Bank Multilateral Investment Fund Public-Private Partnership Platform is making targeted equity investments in funds to promote energy efficiency, renewable energy, and biodiversity in 12 countries in Latin America. Another initiative is the African Development Bank Public Private Partnership Program, aimed at the scaling up of renewable energy technologies on the African continent and contributing to the delivery of universal power supply in the region.
- **Public-Private Partnership Fund to demonstrate ways to engage more systematically with the private sector, foster innovation and open new markets.** The Earth Fund is being managed based on the concept of platforms, under which a portfolio of projects is being managed. Some of the platforms under the Earth Fund include:
  - a. *En.lighten*: Global Market Transformation for Efficient Lighting: a platform aimed at accelerating a global market transformation to environmentally sustainable, energy efficient lighting technologies, as well as to develop strategies to phase-out inefficient incandescent lamps to reduce carbon dioxide emissions and the release of mercury from fossil fuel combustion.
  - b. **Greening the Cocoa Industry:** an initiative that brings together cocoa producers, small chocolate commercializing businesses as well as the chocolate industry, and focuses on improving the way cocoa is being cultivated and commercialized. Ten cocoa producing countries were chosen by the significance of their biodiversity: Ecuador, Peru, Brazil and the Dominican Republic were selected in Latin America, Ivory Coast, Ghana, Madagascar and Nigeria in Africa and Papua New Guinea and Indonesia in Asia.
  - c. **The Water Funds:** a platform aimed at setting up public-private funding mechanisms to promote private sector participation in the conservation of freshwater ecosystems and biodiversity of global importance. With a regional focus in Latin America and the Caribbean, Water Funds have been established in Colombia, Ecuador, Brazil, Peru, Mexico and Panama.



## The Role of the Private Sector in the Integrated Approach Pilots

The Integrated Approach Pilots (IAPs) that will be implemented in GEF-6 (see Section 3) are intended to address the major drivers of environmental degradation. To address global environmental issues more holistically, the three IAPs will be implemented through joint platforms involving key stakeholders, including the private sector.

The active involvement of the private sector in the IAPs platforms can play a critical role to identify the most effective ways to use funds in innovative ways to reach higher impact and scale.

Private sector engagement and contributions will be specifically sought in the following ways:

- The **Sustainable Cities IAP** offers a direct pathway to secure higher returns for the investment given that cities are now responsible for about 70 percent of carbon dioxide emissions globally. The private sector

can supply and support urban services, provide innovative technologies and management practices, and implement programs to reduce environmental degradation and to promote sustainable natural resources management.

- The **IAP on Taking Deforestation out of Commodity Supply Chains** will work with the private sector (producers), consumers and other stakeholders to tackle some of the principal drivers of forest loss in developing countries. While governments play the principal role in setting policy and leading governance for commodities, the majority of activities on the ground are almost exclusively carried out by the private sector—ranging from smallholders to multinational companies.
- The **IAP on Fostering Sustainability and Resilience for Food Security in Sub-Saharan Africa** recognizes that jointly tackling energy, water, soils and food is essential for sustainable development and, therefore, will build on the nexus between these themes to promote greater impact and efficiency in the overall investments. The engagement of financial institutions and agro-dealers in the private sector can create investment opportunities for scaling-up best practices and climate resilient options.

## The Role of the Private Sector in the Non-Grant Instruments Pilot

Non-grant instruments are one of the tools used by the GEF to engage with the private sector.

The use of non-grant instruments has enabled the GEF to build public-private partnerships and attract greater private sector financing, resulting in greater investment in projects for generation and diffusion of technologies and practices that result in increased global environmental benefits. In addition, non-grant instruments increase the cost-effectiveness of GEF resources by reducing initial costs, stimulating higher financial discipline and creating a potential for repayment on the investment.

The private sector has been using non-grant instruments, such as credit guarantees, revolving funds, equity investments and loans in numerous GEF projects and programs. The bulk of these interventions have been in the climate change mitigation focal area, particularly in projects geared toward renewable energy and energy efficiency.

In the GEF-6 non-grant instruments pilot (see Section 3), the private sector is expected to play a key role in further using these tools, expanding the scope of interventions to other focal areas.

## Private Sector Mainstreaming

Various activities are being undertaken by the GEF Secretariat to further mainstream the private sector, including:

- **Promoting Private Sector Mainstreaming within GEF-6 Programming.** A stronger engagement with the private sector will be encouraged in the programming of GEF-6 resources. The particular expertise of the for-profit sector can greatly contribute to enhancing priority setting for the most efficient use of GEF resources, which in turn, can result in increased engagement of the private sector in project identification, design and implementation.
- **Increasing awareness on private sector engagement.** Targeted activities will aim at raising awareness among private sector partners, as well as Operational Focal Points and other stakeholders, to further enhance private sector engagement and partnerships. Some of these are:
  - a. Production of a “How-to Guide” to enhance awareness of private sector partners on working with the GEF.
  - b. Promoting expanded private sector and CSO interactions to work together in project design.
  - c. Documenting best practices to help catalyze private sector engagement, including co-financing.
- **Improving knowledge sharing on private sector success stories.** In consultation with GEF Agencies and other partners, private sector engagement in the GEF will be regularly tracked, analyzed and reported. Success stories will be documented and shared with private sector and other stakeholders.







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## ABOUT THE GEF

The Global Environment Facility (GEF) was established on the eve of the 1992 Rio Earth Summit, to help tackle our planet's most pressing environmental problems. Since then, the GEF has provided over \$14 billion in grants and mobilized in excess of \$70 billion in additional financing for more than 4,000 projects. The GEF has become an international partnership of 183 countries, international institutions, civil society organizations, and private sector to address global environmental issues.

[www.thegef.org](http://www.thegef.org)



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