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Virtual Meeting

Agenda Item 07

**MANAGEMENT RESPONSE TO THE EIGHTH
COMPREHENSIVE EVALUATION OF THE GEF**

Recommended Council Decision

The Council, having considered document GEF/E/C.70/01 *The Eighth Comprehensive Evaluation of the GEF*, and GEF/C.70/06, the *Management Response* takes note of the related evaluation recommendations and endorses the management response to address them.

INTRODUCTION

1. The GEF Secretariat welcomes the Final Report of the IEO's *Eighth Comprehensive Evaluation of the GEF (OPS-8): Integration for Greater Impact*. The GEF Secretariat appreciates the suite of findings and recommendations of this report and is in broad agreement with them.
2. The OPS-8 is based on the findings of 34 evaluations conducted by the IEO over 2022–2025, many of which have been presented to the GEF Council. Throughout this period, the GEF Secretariat has had productive engagement with the IEO at different stages of these evaluations. As such, and as reflected in the responses below, several findings and recommendations have already been incorporated into the GEF-9 programming¹ and policy directions² that are currently under development and discussion during the GEF-9 replenishment process.
3. The GEF Secretariat is encouraged by several positive findings of this report, which reaffirm the GEF's unique and long-standing role as a major dedicated financing mechanism for global environmental action. The report highlights robust project performance and recognizes GEF's success in delivering significant environmental outcomes across the focal areas as well as the ability to address complex, interconnected environmental systems through the Integrated Programs. Conclusions of the report further note that adaptations in GEF programming reflect evolving global needs and align national priorities with the mandates of existing and emerging global environmental agreements. These achievements are complemented by advances in promoting inclusion, managing risks and innovations, and strengthening operational efficiency.
4. The GEF Secretariat appreciates the recognition of GEF's catalytic effect in mobilizing additional resources through co-financing contributions alongside predictable STAR resources, underpinned by consistent donor confidence and contributions. The analysis finds GEF's partnership model as one of its core strengths, offering flexibility of choice across the technical expertise of 18 agencies. The report further commends progress in advancing inclusion through stronger policies, clearer operational guidance and deeper engagement with civil society. More systematic private sector engagement and expansion of the NGI portfolio have accelerated innovation, mobilized private capital, and opened new markets for environmental solutions.
5. The GEF Secretariat greatly values the findings that GEF interventions have increasingly fostered behavioral change, enhanced policy coherence, and delivered socioeconomic co-benefits, influencing the resilience and long-term sustainability of outcomes. It is also noteworthy that the report recognizes significant improvements in the results-based management system and knowledge and learning efforts, upon which the GEF Secretariat will continue to build in GEF-9.

¹ GEF/R.9/08. [Draft GEF-9 Programming Directions](#). Kasane, Botswana. September 10, 2025

² GEF/R.9/09. [Draft Policy Directions for GEF-9](#). Kasane, Botswana. September 10, 2025

6. The report also identifies several challenges across programming, operational and procedural dimensions. The GEF Secretariat acknowledges these and welcomes the opportunities for further improvements as reflected in the report's 9 high-level recommendations. This management response focuses on these recommendations and outlines the GEF Secretariat's strategies for addressing them going forward.

RECOMMENDATIONS

7. ***Recommendation 1: Strengthen the transformational impact of integrated programming, focusing on strategic selectivity and consolidation.*** *Integrated programs should be streamlined to fewer but deeper rather than broader, all-encompassing initiatives. They should be built around robust theories of change, explicit scaling pathways, and strong knowledge and learning platforms, with a centralized repository for knowledge and lessons. This focus will provide the clarity and depth needed to address systemic drivers of environmental degradation and deliver impact at scale, including in complex areas such as food systems and sustainable urban development. Implementation must also address challenges observed in current programs, including compressed design timelines, uneven coordination between global platforms and country-level child projects, and limited opportunities for inclusive stakeholder engagement during preparation. Clear roles and responsibilities across Agencies and countries, realistic timelines that prioritize depth over breadth, and mechanisms that link global knowledge support directly to in-country implementation are essential. Programs should be structured from the outset to attract cofinancing and private sector investment, aligning financial innovation and policy reforms with programmatic goals to deliver scalable solutions that endure well beyond GEF funding. There is a distinct need for a clear exit strategy in the individual integrated programs, including well-defined criteria and guidance for determining whether and when integrated programs should continue or be phased out.*

8. The GEF Secretariat agrees with this recommendation.

9. The GEF Secretariat would like to highlight that several steps have already been taken with regard to this recommendation, through the GEF-8 Integrated Programs and in preparation for the integrated program agenda of GEF-9.

10. The GEF Secretariat is currently working with STAP to strengthen the scientific underpinning of systems transformation through the integrated approach programs. This will build on knowledge and experience gained from the GEF-7 and GEF-8 programs, from design phase through to implementation. A key focus is on development of a detailed and instructive resource book on integrated programming for transformative change, which will cover all issues highlighted in the recommendation, and made available for use by agencies, countries, and partners. The resource book will be finalized at end of June 2026, on time for the start of GEF-9.

11. The GEF Secretariat also recognizes that as integrated programming is now formalized as a pathway for investing in global environmental benefits, it is important to connect programs within and between replenishment phases. An important step in this regard has been the development of a set of principles for interoperability of the program platforms, which has been socialized with the GEF Agencies. The principles have been operationalized for the GEF-8 programs, and the GEF Secretariat is working closely with lead agencies of all IPs to identify and harness priorities for linking programs through governance, knowledge sharing, and joint activities. This has helped to streamline program activities across geographical and thematic areas, to maximize potential for synergies and complementarities.

12. Finally, the GEF-9 programming directions provides clear evidence of how the GEF Secretariat is transitioning integrated programs through an informed strategy. To deepen programming by countries and align with emerging global realities, four of 11 GEF-8 IPs were consolidated or mainstreamed into others that will evolve in GEF-9. By phasing out some GEF-8 IPs through consolidation or mainstreaming of substantive priorities into other IPs, the GEF Secretariat will create opportunities to harness lessons and experiences gained during their implementation. Two of the GEF-8 IPs—Ecosystem Restoration and Net-Zero Nature-Positive Accelerator—were deemed substantively relevant for integration and planning at the country-level to advance systemic change across all IPs. As such, they are proposed to be mainstreamed across GEF-9 IPs to maximize potential for impactful outcomes. Two other IPs—the Clean and Healthy Ocean and Greening Transportation Infrastructure Development—are critical in specific geographical contexts where the potential for generating global environmental benefits can be maximized. Hence, they are proposed to be consolidated into other GEF-9 IPs that are geographically targeted, such as forest biomes or large marine ecosystems. The GEF Secretariat will establish clear criteria for addressing these needs during programming of the GEF-9 IPs.

13. ***Recommendation 2: Embed sustainability and financing arrangements at design to secure long-term outcomes.*** *The GEF should require relevant projects to include sustainability and financing arrangements at the design stage. Early engagement with relevant ministries and technical agencies is essential to integrate environmental priorities into national budgets and financial systems, ensuring results are anchored in long-term country commitments. Greater attention should be given to institutional sustainability, including strong linkages with in-country institutions and stakeholders—notably local governments, the private sector, and civil society organizations—that can uphold and scale outcomes over time. Stronger linkages to complementary financing sources—such as the Green Climate Fund, the Adaptation Fund, and domestic revenue streams— could enable continuity and scaling beyond GEF funding. Tracking outcomes in select projects beyond closure will generate useful feedback to strengthen future programming and reinforce lasting impact.*

14. The Secretariat agrees with this recommendation.

15. The GEF Secretariat welcomes the recommendation to further strengthen the embedding of sustainability considerations at the design stage to secure long-term outcomes. The GEF Secretariat recognizes the importance of ensuring that GEF support is anchored in country systems and commitments, and that institutional linkages with national and subnational governments, the private sector, and civil society are critical to sustain and scale results over time.

16. Sustainability and durability have been important priorities, the subject of ongoing discussions across the GEF Partnership over the last two replenishment cycles. As such, the GEF Secretariat has already taken important and ongoing steps to address these issues. Building on the Council-approved framework *Towards Greater Durability of GEF Investments* (GEF/C.57/08), the GEF has emphasized four core actions—Theories of Change, multi-stakeholder processes, stakeholder involvement, and adaptive learning—as building blocks for sustainability. Since GEF-7, Theories of Change have been systematically required at concept stage, helping to clarify pathways to durability, identify risks, and align with long-term drivers of change. Integrated Programs, in particular, have been designed to advance systemic change by bringing together national policies, stakeholder engagement, innovation, and financial leverage within a whole-of-government approach. The continuous implementation of the Stakeholder Engagement Policy³ and the Private Sector Engagement Strategy⁴ also supports sustainability.

17. These improvements, introduced more than six years ago, are expected to strengthen sustainability. As highlighted by the IEO, it remains too early to fully assess the effects of these programming reforms and policy shifts, as only a limited number of projects designed under them have so far reached Terminal Evaluation. Mid-term reviews and early findings in OPS-8 nonetheless point to promising progress. At the same time, the GEF Secretariat acknowledges that ensuring durability remains a systemic challenge across the portfolio. This challenge is not unique to the GEF; other Agencies face similar difficulties.

18. While it is essential to embed sustainability features during design, financing arrangements for the post-completion period cannot always be effectively secured at that stage. Such arrangements must be consolidated during implementation to ensure they are timely, politically supported, and attuned to evolving governance and fiscal realities. As such, design can put investments on a durable track, but financing mechanisms, arrangements, and commitments beyond GEF funding often coalesce later.

19. Looking ahead, GEF-9 Programming and Policy Directions propose concrete steps to embed sustainability more deeply in the portfolio. These include reinforcing the central role of systemic levers for change in Integrated Programs, emphasizing adaptive management as a cross-

³ SD/PL/01 [Policy on Stakeholder Engagement](#). November 20, 2017

⁴ GEF/C.58.05. [GEF's Private Sector Engagement Strategy](#). May 5, 2020

cutting principle and engaging relevant Ministries in projects through the creation of National Steering Committees and increased participation in Country Platforms through the Country Engagement Strategy. In line with these directions, the GEF Secretariat will strengthen its review processes, guidance and engagement with Agencies to require more explicit consideration of sustainability features at the upstream stage across programming. To reinforce these efforts throughout implementation, the GEF Secretariat could invite Agencies to ensure that implementation and tracking of durability features are anchored in existing project results frameworks. In addition, the GEF Secretariat could explore structured learning along relevant sustainability dimensions from Mid-Term Reviews as part of its ongoing monitoring of the active portfolio. The GEF Secretariat may also consider reviewing progress on durability after completion as part of learning missions, mindful of the fact that project M&E responsibilities end at TE submission.

20. ***Recommendation 3: Pursue higher-risk, high-reward innovation with appropriate safeguards and incentives, aligned with the GEF's risk appetite framework.*** *To achieve transformational change, the GEF should, where possible, actively prioritize innovations that carry higher risk, but have the potential to deliver breakthrough environmental solutions. This requires giving Agencies clear guidance to manage risk appropriately, deploying risk-sharing mechanisms, and enabling engagement in frontier markets and disruptive approaches such as advanced digital tools, artificial intelligence applications, and nature-based solutions. Innovation must be explicit and deliberate, with clear pathways for scaling, stronger integration of theories of change into adaptive management, and robust systems for monitoring and real-time learning. Embedding risk and innovation metrics into results frameworks and institutionalizing knowledge exchange will ensure lessons are captured, successful models are replicated, and innovative solutions achieve system-wide impact.*

21. The GEF Secretariat agrees with this recommendation.

22. The Risk Appetite Statement⁵ assigns a high appetite for innovation risk, covering categories such as technology, finance, business models, institutions, and policy. Innovation is a critical lever for transformational change and is embedded as a core feature of Integrated Programs, alongside policy coherence, stakeholder engagement, and adaptive learning.

23. The GEF has already taken important steps to support innovation. In GEF-8, a modest Innovation Window was launched as part of the GEF's eighth funding cycle, to support and help road-test novel approaches, tools, and business models, engaging new and varied partners.⁶ Building on lessons from that experience and the directions set by GEF-9 Replenishment Participants, innovation will not continue as a small, stand-alone window. Instead, it will be

⁵ GEF/C.66/13. [GEF Risk Appetite](#). January 4, 2024

⁶ Global Environment Facility (GEF). [GEF announces winners of first Innovation Window funds](#). December 4, 2024

mainstreamed across the portfolio, building on and amplifying past successes—such as blended finance, use of geospatial data, and institutional innovations in policy implementation—to achieve broader impact.

24. The GEF Secretariat notes that a gap remains between the high appetite for innovation risk and observed practice, with most innovation risks currently rated moderate. There are a number of factors that are contributing to this. Many GEF-8 Integrated Programs were designed before the Risk Appetite Statement, limiting reflection of this high appetite. Methodologically, residual risk (the risk level after the implementation of mitigation measures) is assessed, so even high-risk innovations often score at a lower rating than High. While innovations entail high inherent risk; Agencies indicate that implementing the right mitigants leads to lower residual risk. This focus on residual risk also strengthens project design by ensuring that appropriate mitigants are built in from the outset, alongside the definition of results targets, thereby increasing the likelihood of achieving expected results. Agency risk practices also do not always incentivize higher-risk investments. To address this, the GEF Secretariat will ensure Agencies report innovation risk only where genuine innovation is involved, avoiding its associations with generic technologies or other elements lacking a true innovation dimension.

25. Looking ahead, GEF-9 offers an opportunity to further align ambition and practice. Innovation will be promoted not only in technology and blended finance but also in institutional measures and policy reforms. AI applications, geospatial platforms, and real-time feedback systems will be explored, alongside innovations in financial mechanisms, governance approaches, and partnerships with private sector actors, academia, and frontier markets. Deliberate learning from successes and failures will be integrated into mainstreaming efforts.

26. To reinforce these directions, the Secretariat will encourage Agencies, where relevant and appropriate, to define innovation pathways and monitor innovation progress within projects and programs through design and implementation. Knowledge-sharing platforms will highlight successful approaches, lessons learned, and incentives for wider adoption, an element also reinforced under the response to Recommendation 9. In support of these efforts, the Secretariat may develop new guidance under the Risk Appetite Statement, in collaboration with STAP and Agencies, to facilitate work in risk rating, in part as the GEF mainstreams innovation across the portfolio. These steps will help to strengthen system-wide impact of innovative solutions and contribute where possible to transformational environmental change.

27. ***Recommendation 4: Unlock private sector potential and expand the use of NGIs to deliver scalable change.*** Private sector engagement should be strengthened by embedding it more systematically across GEF programming. This includes expanding partnerships with agribusiness, financial institutions, and small and medium enterprises; aligning project design

with private sector incentives; and fostering enabling conditions—such as policy reform, standards, and institutional frameworks—that encourage investment and behavioral change.

28. *Expand the use of NGIs to mobilize private capital and share risk, particularly in sectors requiring larger-scale and more innovative financing.* *Countries and Agencies need enhanced capacity to design blended finance solutions, with incentives to integrate private sector approaches across all focal areas. The GEF should capitalize on Agency strengths, leveraging multilateral development banks' investment and risk-sharing capacity alongside the technical expertise and policy support of United Nations Agencies and others. Despite growing demand, the share of NGIs in the GEF portfolio remains small due to limited resources allocated to the window, and countries are hesitant to use the STAR allocations. The GEF should seek to improve countries' understanding of NGIs and can enhance conditions for their use. Removing constraints such as the cap on NGIs can enable larger, transformative investments that can attract institutional and commercial finance in collaboration with multilateral development banks, and must be carefully balanced to avoid crowding out smaller, innovative NGI initiatives.*

29. The GEF Secretariat agrees with this recommendation.

30. The GEF Secretariat notes the positive outcomes reported in the evaluation pertaining to increased levels of co-finance in projects that engage the private sector, the diversity of private sector actors engaged in GEF programs and the performance of the GEF engagements with the private sector across the engagement modalities.

31. The GEF Secretariat appreciates the analysis of private sector engagement with an emphasis on integrated approaches, which has proven to be highly effective in widening the support from the private sector into GEF projects at a global and country level.

32. We are encouraged that OPS-8 underscores that many projects engage with multiple types of private sector actors, highlighting the diversity of private sector participation across the GEF portfolio. The evaluation shows the evolution from GEF-6 and GEF-7 with a shift in the depth and type of private sector engagement, using modalities identified in the PSES. This includes private sector engagement across knowledge and information exchange, capacity development policy, finance and industry leadership which were well demonstrated with relevant cases in the evaluation.

33. The evaluation recognizes that in GEF-7, which coincides with the adoption of the Private Sector Engagement Strategy,⁴ there was a shift toward deeper forms of engagement, with projects increasingly involving the private sector in co-financing arrangements and public-private partnerships (PPPs). Several actions are being undertaken to further strengthen private sector engagement by embedding private sector focused initiatives, such as finance platforms and investor networks, more systematically across the family of funds. Examples of such actions

include consultative processes for IP design, and the active participation of private sector actors in COP events, GEF-9 Technical Advisory Group meetings, the GEF-9 Replenishment negotiations, and in the governance arrangements of the GBFF.

34. The proposed GEF-9 Programming Directions includes dedicated plans for private sector engagement within each Integrated Programs. These build on previous GEF cycles and identify major partnership platforms, opportunities for private sector project execution and the role of standards, protocols and regulation in galvanizing private sector support for projects at the global and national project levels. For example, in GEF-8, this includes working with the WBCSD as executing partners in the Food Systems global coordination project, with the WEF and UN Restoration Flagships as partners in the Ecosystem Restoration IP and the Global Plastics Action Partnership in the Circular Solutions to Plastic Pollution IP.

35. Since GEF-7, we have witnessed the growth in dedicated finance platforms for GEF projects which research, qualify and identify the most suitable sources of funding, including at a global, regional and national level and thematic approaches, leveraging the entire portfolio of countries participating in an IP. This includes the Southeast Asia and Pacific Investor and Technical Partner Coalition of the Critical Forest Biomes IP, the Sustainable Rice Landscapes Initiative and the multi-trust fund *Public-Private Blended Finance Facility for Climate-Resilient Rice Landscapes* MSP. In GEF-9, the proposed Sustainable Cities IP includes a finance facility proposal for MDBs.

36. Stronger efforts are being made with the GEF Agencies to align project design with the drivers of private sector investment, through a host of supporting activities, including the UNCCD *Business 4 Land* platform for private sector collaboration, private sector focused events during COPs and climate weeks, regional investment fora including the Great Green Wall private sector initiative and the SEAP investment conference for Southeast Asia which seek to address the challenges in aligning private sector investment priorities with the GEF programs.

37. The GEF Secretariat welcomes the recommendation for more value chain and sectoral approaches. These are being addressed across GEF-8, especially through commodity platforms, and will continue through GEF-9 including with the fashion, textiles and apparel sectors in the Drylands and Drought Management IP, the Sustainable Rice Landscapes Initiative in the Food Systems IP and the restoration and conservation sectors championed by the Forest Solutions Group and the International Sustainable Forestry Coalition in the Critical Forest Biomes IP¹. These partnerships have been fostered through country programs, global projects, and MSPs since GEF-7 as part of strengthening participation of the private sector in integrated approaches.

38. Importantly, GEF-9 will also focus on standards and protocols that can align private sector requirements with the delivery of global environmental benefits across the GEF family of funds. As outlined in the GEF-9 Programming Directions, the proposed Integrated Programs and focal areas may address the relevant standards, certification systems, regulations (EUDR, CSDS),

corporate target setting initiatives for net-zero and nature positive approaches (SBTN), and disclosure frameworks (TNFD, TCFD) which can serve as valuable mechanisms to engage the private sector. Sectoral and landscape initiatives including agri-commodity production in key biomes such as the Cerrado and in the regional approach taken in the Critical Forest Biomes IP, represent potential opportunities for private sector partners to collaborate across the value chain, where addressing standards, protocols and policy frameworks requires the participation of all actors.

39. The GEF Secretariat concurs with the IEO's findings on NGI as a tool for innovative financing and mobilization of private capital. The GEF Secretariat welcomes the recommendation on increasing the use of blended finance, including removing the cap on blended finance projects and supporting broader interventions. These suggestions are already featured in the GEF-9 Replenishment documents currently under negotiation. Scaling up Blended Finance in GEF-9 will lead to greater mobilization of private capital within GEF operations. Expanding the Blended Finance Program—including the introduction of a Country Incentive to encourage countries to utilize non-grant instruments—will directly boost the use of non-grant instruments at the GEF.

40. The GEF Secretariat also welcomes the recommendation to increase collaboration with MDBs while avoiding crowding out of other agencies. The proposed GEF-9 Programming Directions and Policy Directions include a package of measures that are comprehensively designed to enable increased mobilization of private capital. These documents reflect the input and feedback received from MDBs and IFIs to improve joint programming.

41. The GEF Secretariat agrees that countries will need both encouragement and technical support to actively participate in blended finance structures. The proposed GEF 9 Programming Directions, thus, includes an incentive mechanism for countries to use non-grant instruments. The GEF Secretariat will undertake efforts to improve country readiness for blended finance by including grant programming activities across Focal Areas and Integrated Programs that can deliver private capital mobilization at project level.

42. Additionally, the GEF Secretariat will support building OFP capacity through two main pillars of the proposed GEF-9 Country Engagement Strategy: (i) enhancing country ownership and OFP capacity which includes skills training in investment portfolio and blended finance and (ii) increased participation in country platforms with a focus on blended finance as means to mobilize both domestic and international resources. Country platforms can provide a structured mechanism for identifying, prioritizing, and de-risking investments, thereby enhancing the scale and impact of GEF financing. Country platforms strengthen national ownership and facilitate investment endorsement, thereby serving as a powerful market signal and crowding-in additional finance.

43. **Recommendation 5: Streamline processes and improve efficiency across the GEF family of funds, where possible, to reduce application complexity and support countries, particularly those with limited capacity.** *Aligning operational processes across all GEF-managed trust funds and funding windows, to the extent feasible, could simplify access and ease the administrative burden on countries and Agencies. Project approval timelines should be accelerated through simplified review layers; a clear division of roles between the Secretariat, the GEF Agencies, and the STAP; and time-bound steps for each stage of the cycle. Simplified procedures for integrated programs can avoid delays from complex coordination arrangements. Strengthening readiness requirements at Chief Executive Officer endorsement, expanding the use of digital tools for project development and monitoring, and systematically tracking cycle performance will further improve responsiveness. Regular benchmarking against peer funds will help maintain the GEF's comparative advantage while ensuring countries can efficiently access and implement resources across all GEF funds.*

44. The GEF Secretariat agrees with this recommendation.

45. The GEF Secretariat is already taking substantial steps to ensure that its funds are more easily accessible by simplifying, clarifying and streamlining its project cycle. During the GEF-8 replenishment period, several policy updates^{7,8,9,10} were undertaken to eliminate any redundant steps with respect to the GEF Secretariat's review and approval processes, to clarify roles and responsibilities of key partners, and to upgrade the GEF Portal for improved data collection, access to project information and portfolio management, including at the country level. In this context, the upper cap for the GEF's expedited Medium-Size Project modality was increased from \$2 million to \$5 million, enabling shorter preparation time and speedier provision of funds to countries.

46. The GEF Secretariat has also been working to facilitate better coordination among GEF partners, encouraging GEF Operational Focal Points (OFPs) in recipient countries to engage regularly with GEF Agencies and play a more active role during project implementation and in overall portfolio management. Accordingly, the GEF extended financial and training support to OFPs for project oversight and portfolio management through a global corporate initiative under the GEF-8 Country Engagement Strategy. GEF-8 streamlining measures included requirements for the Agencies to meet with OFPs annually to discuss their GEF portfolio and to take into consideration OFP and other local stakeholder feedback. The Agencies were also requested to gather and include OFP inputs to annual and mid-term monitoring reports (i.e. PIRs and MTRs)

⁷ GEF/C.66/08/Rev.03. [Streamlining the GEF Project Cycle](#). February 7, 2024

⁸ GEF/C.67/05/Rev.01. [Streamlining the GEF Project Cycle: Report from the Working Group on the Streamlining Process](#). June 14, 2024

⁹ GEF/C.68/05_Rev.01. [Streamlining the GEF Project Cycle: Report from the Working Group on the Streamlining Process](#). December 18, 2024

¹⁰ GEF/C.69/12. [Policy Amendments to Streamline the GEF Project Cycle](#). May 5, 2025

that GEF Agencies prepare for GEF projects as part of the project cycle. Also, the Agencies were requested to undertake in-person country preparation and supervision missions and activities including the participation of Agency staff, aiming to expedite project design and improve monitoring and execution.

47. In addition, with the creation of the Global Biodiversity Framework Fund (GBFF), the GEF responded to the COP request “to design and implement a project cycle with a simple and effective application and approval process, providing easy and efficient access to resources”. In response to the CBD COP mandate, the GEF adopted a more streamlined project cycle, which included harmonization of modalities compared with those in other funds, regardless of the project’s size.

48. Based on the above, during the ongoing GEF-9 Replenishment negotiations, the GEF Secretariat is proposing to continue streamlining and harmonizing project templates and approval processes across different GEF-managed funds – specifically, a single one-step approval process with fewer modalities and with consideration of the risk level is currently in design. Additionally, it is expected that in GEF-9, further streamlining measures will be explored, including actions to be undertaken by the wider GEF Partnership, such as a potential risk-based approach to reviews and approvals.

49. Overall, it is expected that the Council approved policy measures in June 2025 and the forthcoming GEF-9 measures will contribute to the strengthening of the quality and speed of project development, review, and implementation, enhance reporting mechanisms for key modalities, and align reporting requirements across operations.

50. ***Recommendation 6: Take decisive steps to address structural challenges within the GEF partnership and create an inclusive, transparent, and impactful country engagement process. This requires clarifying the dual role of Agencies as both implementing and executing entities when present, supported by transparent mechanisms to manage potential conflicts of interest and strengthen trust. Greater collaboration should be incentivized by leveraging Agencies’ comparative strengths, reducing duplication of effort, and enhancing the overall efficiency of resource use. The GEF Council should review and update the STAP’s terms of reference to align its structure, expertise, and work program with evolving strategic directions— thereby enhancing transparency, advisory clarity, and governance to ensure timely, high-quality scientific and technical input.***

51. ***Institutionalize country engagement through early and inclusive dialogues that involve both environmental and nonenvironmental ministries as well as civil society and the private sector. Strengthening the capacity of operational focal points will be critical to coordinating effectively across ministries and with other environmental funds, ensuring alignment with national priorities. At the same time, the GEF should adopt a unified external partnership strategy***

that brings together other global environmental funds, philanthropy, and financial institutions, while creating knowledge platforms to facilitate peer learning, replication of successful approaches, and the diffusion of innovative solutions

52. The GEF Secretariat agrees with all the components of this recommendation that are directed to us. On the component of the recommendation concerning the STAP's terms of reference, the GEF Secretariat notes that this is directly addressed to the GEF Council and is therefore not covered by this Management Response.

53. The IEO's findings on the increasing use of dual implementation and execution roles by Agencies align with the position of the GEF Secretariat and decision by the Council¹¹ that such arrangements give rise to potential conflicts of interest and may impact country ownership and the healthy development of national capacity to execute priority investments.

54. The evaluation highlights the increase in the deployment of dual roles by Agencies from five percent of projects and four percent of GEF financing in GEF-5 to 20 percent of projects and 23 percent of financing in GEF-8. This demonstrates the quick development of this pattern among a specific group of Agencies, particularly since GEF-7. While this increase coincides with the introduction of some differentiated access pathways (e.g., IPs, NGIs), this pattern cannot be explained only by deployment against these types of projects.

55. National capacity limitations was the most frequently cited reason for engaging in a dual role (35%). The IEO survey of 33 OFPs highlights key differences in attitudes towards dual roles: while 70% of all respondents were in favor of some use of a dual role, only 46% of LDCs and SIDS – typically the countries with the lowest capacity – are in favor. In addition, 30% of respondents believe that dual roles should be completely prohibited.

56. The GEF Secretariat is working closely with OFPs, Agencies, and Executing entities to address this trend and to reinforce the core concept of country ownership and national execution capacity. Project reviews by GEF Secretariat focus on strengthening proposal quality-at-entry and increasing implementation effectiveness and the value-for-money proposition. The review process includes close scrutiny of the proposed institutional arrangements to preempt project governance modalities that may potentially negatively affect implementation.

57. The GEF Council at its 69th meeting adopted policy amendments to streamline the GEF project cycle.¹² The decision also sets out five exception cases in which Agencies could request a waiver to undertake a dual role during implementation.¹³ The objective of the decision is to disincentivize the use of the dual role, while defining clear instances in which a waiver could be

¹¹ GEF/Council.Decisions/2025, [GEF Council Decisions 2025](#), 10 June 2025

¹² See Decision 17, GEF/Council.Decisions/2025, [GEF Council Decisions 2025](#), 10 June 2025.

¹³ See page 14 of GEF/C.69/12, [Policy Amendments to Streamline the GEF Project Cycle](#), 5 May 2025.

requested. The GEF Secretariat has updated the Guidelines on the Project and Program Cycle Policy to reflect this decision, while working closely with OFPs and Agencies to communicate the criteria and thresholds that would trigger the limited approval of exception waivers.

58. The GEF Secretariat aims to reinforce this Council decision through five distinct policy actions contained in the draft GEF-9 Policy Directions.¹⁴ Addressing the growing use of the dual role is discussed under “Agile and Effective Implementation,” which discusses strengthening national execution, with a focus on building local capacity for effective project delivery and sustainability of impact. The GEF Secretariat will explore possibilities to expand on the regular touchpoints and annual bilateral exchanges on portfolio progress with Agencies initiated in GEF-8, including by identifying opportunities for national capacity building of executing entities and OFPs, through both direct engagement and together with Agencies throughout the project cycle.

59. Anticipated GEF-9 decisions in early 2026 will also advance this issue through the adoption of policy amendments. Regular consultations and in-depth cooperation through the Country Engagement Strategy between OFPs, Agencies, and the network of executing entities will include time devoted to enhancing project implementation, including by developing national solutions for the circumstances that have given rise to the dual role.

60. The GEF Secretariat also welcomes the IEO’s findings on country engagement, including on inclusiveness in planning dialogues, strengthening OFPs, coordinating across ministries and a unified external partnership strategy. The GEF-8 CES has made important progress on these aims, representing a significant, dedicated strategic effort and investment beyond the earlier Country Support Program modalities.

61. The GEF Secretariat values the positive OP-8 findings related to the strengthened inclusiveness of GEF-8 CES, which the IEO notes “*was widely perceived as an improvement over earlier frameworks such as the Country Support Program.*” The GEF Secretariat is very encouraged by the OPS-8 report finding that “*the CES has made meaningful contributions to enhancing country ownership and strengthening country portfolio development.*” Moreover, The GEF Secretariat welcomes recognition in OPS-8 that “*the CES contributed to improved alignment between country portfolios and both national development plans and GEF programming objectives.*” This is a principal purpose of the CES, and the very reason that GEF-8 CES efforts included increased upstream technical planning with countries, and more inclusive and expansive National Dialogues and Expanded Constituency Workshops (ECW).

62. The GEF Secretariat recognizes that as of June 2025, some of the newer, promising elements of the GEF-8 CES are in early stages of implementation and, as such, the “*full potential [of CES elements] has yet to be realized.*” For example, initiatives such as the OFP Training, the

¹⁴ See GEF/R.9/06, [Draft Policy Directions for GEF-9](#), 22 April 2025.

country-focused ECW approach, and a structured engagement in building Country Platforms began in the latter half of 2024. These will continue to be implemented through the remainder of the GEF-8 cycle.

63. The proposed GEF-9 Programming Directions further emphasize all of these elements, noting the importance of OFP empowerment, a “whole of government approach” with the creation of National Steering Committees (NSC) encompassing representatives of different Ministries and stakeholders to guide decisions on GEF investment planning. Similarly, the promotion of “Country Platforms” can align external development financing for coherent, complementary and leveraged investment impact on environment and sustainable development in recipient countries. The GEF Secretariat will continue these efforts in GEF-9, where it is expected that the learning from these pilot GEF-8 exercises will help to inform a more rapid rollout in the GEF-9 cycle.

64. Through the ongoing GEF-8 CES implementation, and as built into the proposed GEF-9 CES Strategy, the GEF Secretariat continues to strengthen relationships, establish regular engagement, and enhance its provision of information and training to OFPs, PFPs, Agencies, CSOs and other key stakeholders. The GEF Secretariat is confident that positive progress will continue on CES implementation in the remainder of GEF-8 and throughout GEF-9.

65. ***Recommendation 7: Encourage the GEF Agencies to share country-specific priorities and competencies to improve transparency and inclusivity in national planning processes. This should be done early in the replenishment cycle to inform upstream technical planning with operational focal points and shared as part of the Country Engagement Strategy, as appropriate, to ensure that these processes and approaches are openly shared with all stakeholders. Countries and Agencies should be asked to collaboratively produce a concise outcome document summarizing priorities and agreed-upon actions following the completion of the national GEF portfolio planning process. Together, these measures will strengthen partnerships, reduce fragmentation and concentration, enhance country ownership, and improve the environmental and development impact of GEF programming.***

66. The GEF Secretariat agrees with this recommendation.

67. The GEF Secretariat welcomes the IEO’s findings on the centrality of Agency relationships and alignment with country priorities to build ownership and impact. The GEF Secretariat agrees that “Agency relationships are integral to the GEF’s operational systems, because GEF Agencies are responsible for translating GEF policies into action through project design, implementation, and oversight.” The GEF Secretariat appreciates the useful findings and conclusions arising from the related CES elements of the OPS-8 report, noting that the CES “has improved alignment between GEF programming and national priorities... through national dialogues, pipeline planning, and support to the operational focal points. In countries that have fully embraced the

CES, environmental priorities are better defined, crossministerial collaboration has improved, and GEF pipelines have become more strategically focused.”

68. The GEF Secretariat is confident that this alignment will be further strengthened by active Agency and OFP engagement in CES events, including upstream technical planning, sessions and National Dialogues, to increase awareness of GEF strategies, funding windows, and programming expectations. The GEF Secretariat will consider relevant opportunities and appropriate mechanisms for Agencies to share their country-specific priorities and competencies to enhance recipient country awareness of capacities and opportunities for Agency engagement and alignment with country priorities. These will be further explored with Agencies to ensure respect for confidentiality and the appropriate pre-competitive collaboration to provide constructive information without impacting any competitive positions.

69. Consistent with the IEO’s recommendations, the GEF Secretariat will encourage *“Countries and Agencies... to collaboratively produce a concise outcome document summarizing priorities and agreed-upon actions following the completion of the national GEF portfolio planning process.”* This has indeed become the practice following many of the GEF-8 National Dialogues. In line with this recommendation, this practice will be further supported by the GEF Secretariat in GEF-9, through the provision of appropriate resources and guidance on key documents deriving from national portfolio planning efforts.

70. ***Recommendation 8: Strengthen financial sustainability and reduce reliance on a limited group of donors by improving cofinancing practices and building on current efforts to diversify the funding base.*** *Cofinancing targets should be recalibrated with differentiated, realistic expectations based on country income levels, project types, and financing conditions. These targets must be supported by standardized definitions of financial, in-kind, and parallel contributions, as well as independent verification mechanisms by Agencies at midterm and completion. Transparency is essential, with disaggregated data on cofinancing commitments and realization published regularly. Performance assessments should be focused on realized, high-quality leverage rather than pledged amounts.*

71. ***To secure long-term funding stability, the GEF should adopt a strategic resource mobilization plan that incorporates efforts to broaden the sovereign donor base, engages former contributors, and extends outreach to underrepresented regions.*** *The plan should also establish a structured framework to engage philanthropic foundations, corporations, and other nonsovereign contributors, drawing on proven approaches from leading global funds. In parallel, the GEF should explore engagement with regional and global groups with a strong environmental focus, such as the G20, which has already issued recommendations directed to the GEF and whose members are all GEF partners. Together, these actions would reduce concentration risk, broaden*

the GEF's financial base, and enhance its ability to respond to escalating global environmental challenges.

72. The GEF Secretariat agrees with this recommendation.

73. The GEF Secretariat welcomes the IEO's focus on financial sustainability and is in broad agreement with the need to improve co-financing practices while diversifying the funding base. The Secretariat is encouraged by the recognition of the GEF's leadership in leveraging resources and supports the recommendation to prioritize quality, realized co-financing over pledged amounts.

74. As part of the GEF-9 policy reform package and reflected in the ongoing documents that are currently under negotiation, the GEF Secretariat is proposing to undertake a major revision of the co-financing policy, including:

- Clear, standardized definitions for joint, parallel, and coordinated finance
- Revised documentation and reporting standards, aligned with DAC and MDB practice
- Differentiated expectations based on country income, project type, and fragility
- New templates to track materialization during implementation and support portfolio-level performance analysis

75. To address the IEO recommendation for independent verification, the GEF Secretariat is piloting midterm and completion-stage reporting protocols with Agencies. Additionally, disaggregated co-financing data will be published as part of GEF Results and Learning Reports.

76. The GEF Secretariat also takes note of the recommendation to broaden the donor base. While contributions remain voluntary and influenced by national and international geo-political factors that are beyond the control of the GEF Secretariat, we are strengthening our resource mobilization efforts, with dedicated efforts to re-engage former donors, engage underrepresented regions, and explore outreach to non-sovereign contributors, sub-national donors, and platforms such as the G20. These efforts are aligned with the GEF's evolving programming mandate and its unique role as a multilateral financing mechanism for global environmental conventions. In line with the Family of Funds approach, there is also significant learning being gained from the ongoing efforts of the Global Biodiversity Framework Fund (GBFF) is incorporating non-sovereign actors from private sector and philanthropy into its governance process, and which has secured contributions from a sub-national donor.

77. ***Recommendation 9: Integrate knowledge, results, and learning systems into a coherent platform that drives adaptive management and innovation across the GEF partnership. This requires establishing a unified knowledge platform accessible to Agencies, countries, civil society,***

and partners and focused on capturing and sharing lessons from integrated programs, innovative approaches, and private sector engagement. Indicators and evaluation tools must be strengthened to measure systemic change, behavior shifts, and resilience outcomes, moving beyond output-based reporting. Expanding training and peer learning will ensure that evidence and best practices directly inform project and program design, while institutionalized mechanisms for learning from both successful and failed projects will embed continuous improvement and innovation into all aspects of GEF programming.

78. The GEF Secretariat agrees with this recommendation.

79. The action areas proposed by this recommendation are already a core priority for knowledge and learning across the GEF partnership. Efforts are underway to develop a robust knowledge platform, streamline the results monitoring to emphasize adaptive management and learning from failure. Important steps have already been taken in this direction. These include the development of the GEF Knowledge and Learning Strategy, the expansion of the GEF Geospatial Platform, and the continuous use of Country and Agency Factsheets. At the project and program level, results frameworks now systematically include Theories of Change and indicators to trace pathways to durability and systemic impact. These efforts will continue into GEF-9.

80. Evaluation and monitoring approaches are also being strengthened to capture systemic change and co-benefits, and coordinate progress at the program level. Driving adaptive management starts with a clear sense of progress, and the future platform will therefore embed an accountability component. A dashboard aligned with the GEF-9 Results Management Framework currently under development would include indicators that track systemic change and co-benefits.

CONCLUSION

81. The planet currently faces an unprecedented crisis of nature, climate, and pollution, amid an evolving multilateral finance landscape. As the financial mechanism for multiple multilateral environmental agreements, the GEF must lead with strategic, decisive, and transformative action. The ongoing GEF-9 replenishment process occurs at a globally critical juncture, requiring integrated, inclusive, and innovative approaches that harness latest science and technology, leverage learnings, and incorporate strategic risk-taking to drive resilient and sustainable systemic change. This report provides key insights to guide these efforts and the GEF Secretariat thanks the IEO for this timely, rigorous, and forward-looking analysis.

82. The IEO's *Eighth Comprehensive Evaluation of The GEF (OPS-8): Integration for Greater Impact* provides valuable assessment of the performance and progress of the GEF across multiple dimensions throughout GEF-8. It identifies key opportunities to enhance the outcomes, impacts,

and future of GEF interventions. While significant progress is already being made on certain topics, further advancement remains necessary in others. Building on lessons learned to date and progress in GEF-8, these recommendations will be pursued through GEF-9 programming and policy directions, and the ongoing implementation of GEF's active portfolio.

83. The GEF Secretariat will continue to implement the recommendations of this report and its component studies in close coordination and collaboration with the GEF Council, the IEO, STAP, the Agencies, the Countries, and the wider GEF Partnership. The GEF Secretariat will periodically track progress on the implementation of each of these recommendations and report to Council, as needed, through existing reports and the IEO's standard Management Action Record. These recommendations will also inform the ongoing development of the GEF-9 programming and policy directions.