



GEF/C.70/Inf.09
November 12, 2025

70th GEF Council Meeting
December 15-19, 2025
Virtual Meeting

PROGRESS REPORT ON GEF AGENCIES' COMPLIANCE WITH GEF MINIMUM STANDARDS

I. Introduction

1. This Progress Report provides information on the implementation of Action Plans by those Agencies found not to be fully compliant with GEF minimum standards during the most recent compliance review exercise: i.e. the *Updated Third Party Review of Agency Compliance with GEF Minimum Standards* and Agency Action Plans, approved by Council in [Decision 5/23](#) on May 8, 2023.¹ This is the sixth and final progress report following Council approval of Agency Action Plans and follows the Information Note submitted to C.64 in June 2023², C.66 in January 2024³, C.67 in June 2024⁴, C.68 in December 2024⁵, and C.69 in June 2025⁶. It reflects information available to the Secretariat as of November 10, 2025.

II. Background

2. At the completion of the GEF-7 phase, all GEF Agencies undertook a self-assessment of their adherence to the four key GEF minimum standards: i.e. fiduciary, environmental and social safeguards, gender equality and stakeholder engagement. The independent Third Party Review of these self-assessments concluded that six of the eighteen GEF Agencies were not fully compliant with all standards and were therefore required to develop Action Plans to address identified gaps, in accordance with GEF policy. The Council, in Decision 5/2023, noted the Action Plans submitted by the Agencies addressing the issues identified in the self-assessment and review process. The decision included a request for the Agencies to report on progress and the Secretariat to report such information to each Council meeting until the respective Action Plans are completed and all agencies are in full compliance.

III. Summary of Action Plan Implementation

3. All the 18 GEF Agencies are now fully compliant with all four minimum standards, as BOAD has provided additional information and supporting documentation to show full compliance with the Minimum Fiduciary Standards as at the date of this report.

4. Table 1 and Section IV provide a summary of the implementation status and full compliance of Action Plans by BOAD.

¹ [GEF/C.64/Inf.09](#): Updated Third Party Review of Agency Compliance with GEF Minimum Standards, May 8, 2023

² [GEF/C.64/Inf. 10](#): Progress Report on GEF Agencies' Compliance with GEF Minimum Standards, June 5, 2023.

³ [GEF/C.66/Inf. 10](#): Progress Report on GEF Agencies' Compliance with GEF Minimum Standards, January 19, 2024.

⁴ [GEF/C.67/Inf.08](#): Progress Report on GEF Agencies' Compliance with GEF Minimum Standards, June 4, 2024.

⁵ [GEF/C.68/Inf.10](#): Progress Report on GEF Agencies' Compliance with GEF Minimum Standards, May 4, 2025.

⁶ [GEF/C.69/Inf.06](#): Progress Report on GEF Agencies' Compliance with GEF Minimum Standards, November 20, 2024.

Table 1. Status of Action Plan Implementation at September 30, 2025

Agency	Areas of Partial or Non- Compliance per Third Party Review	Action Plan	Status as of May 1, 2025	Status as of September 30, 2025
BOAD	<p>MFS: I.1(a-d), I.2(a-i), I.3(a-e), I.4(a-b), I.5(a-d), II.1(e), II.2(d, g), II.3(a, c), II.5(a-c), II.6(d-i), II.7(a, c, d), II.8(a-f)</p>	<p>MFS: Develop an action plan to address all partial compliance with 2020 policy assessment. Develop an action plan to document and evidence the implementation of remedial actions to address all findings stemming from internal and external audit and evaluation reports.</p>	<p>MFS: Areas of divergence between BOAD self-assessment and Third Party Review findings have been reviewed. Some issues remain outstanding. - see Section IV for detail</p> <p>ESS: Fully Compliant</p>	<p>MFS: Fully Compliant ESS: Fully Compliant</p>

IV. Additional detail on BOAD compliance

5. By September 30, 2025, BOAD had provided additional information and supporting documentation to address and close the following issues:
 - **I.2 relating to procurement:** As BOAD uses their own procurement procedures and imposes such procedures on borrowers and grantees, there is no official procurement capacity assessments of executing entities. Instead, these “capacity assessment and building” are embedded in BOAD’s review at each stage of the procurement processes. BOAD also provided an internal audit report on procurement processes for the period from 2021 to November 2024.
 - **I.4(a) relating to procedures for operational completion and financial closure, including reporting:** BOAD shared a *Manual for the Preparation of the Completion Report of Private Sector Projects Finance* (Financial Closing Aspects). Section 3.5 of this Manual addresses assessment of actual expenditures vs. budgeted costs, loan disbursement and completion.
 - **II.2(d) relating to institutional financial risk assessment processes and related II.3 (a) Due diligence assessments of partner fiduciary risks:** BOAD provided various documents on manuals, guidelines, memos, reports about their Comprehensive Risk Coverage and Risk Management Framework:

BOAD Risk Management - Three Lines of Defense:

- Operational units manage daily risks.
- The Risk Management Department oversees policies and compliance.
- Internal Audit ensures control effectiveness and accountability.

Comprehensive Risk Coverage:

- Credit Risk: Portfolio screening, rating systems, provisioning standards.
- Market Risk: Value-at-Risk models, FX exposure monitoring.
- Liquidity Risk: Stress testing, cash flow forecasting.
- Operational Risk: Incident reporting and control self-assessments.

Internal Control System:

- Structured risk registers and accountability matrices.
- Regular internal audits and oversight by a Board-level Audit Committee.

Fiduciary and Compliance Standards:

- Alignment with AML/CFT standards and conflict-of-interest policies.
- Procurement and financial controls reviewed by institutions like partners and rating agencies.

Strategic Framework:

- Anchored in the *Djoliba 2021–2025 Strategic Plan* with a focus on risk-adjusted performance and climate resilience.
- Strong emphasis on transparency, institutional resilience, and capital adequacy.

- **II.3 (b) Information regarding funding agreements is made publicly available:** BOAD provided links to published funding proposals for GEF-funded projects (and AF and GCF projects) in its website.