

**FIRST MEETING
FOR THE NINTH REPLENISHMENT OF RESOURCES
OF THE GEF TRUST FUND
MAY 20-21, 2025**

SUMMARY OF THE CO-CHAIRS

The first meeting of Participants for the GEF-9 Replenishment was held in Paris on May 20-21, 2025. The meeting was co-chaired by Carlos Manuel Rodriguez, CEO and Chairperson, GEF and Akihiko Nishio, Vice President, Development Finance, World Bank.

Contributing Participants were joined by representatives from non-donor recipient countries representing Africa, Asia, Eastern Europe/Central Asia, Latin America, and the SIDS; two NGO/CSO representatives - one representing a contributing country-based NGO/CSO and another representing a recipient country-based NGO/CSO; one representative of the private sector; one representative from the Green Climate Fund Secretariat, one representative from the Adaptation Fund Secretariat, and one representative from the Climate Investment Funds Secretariat; and representatives of GEF Agencies and the conventions for which the GEF serves as a financial mechanism.

Mr. Nishio opened the meeting by welcoming all participants to the first meeting of the GEF-9 Replenishment. He reflected on the GEF-8 Replenishment negotiations four years ago which were held virtually due to the COVID-19 pandemic. He noted that while we have come out of the pandemic, we are facing unprecedented global challenges including environmental degradation, biodiversity loss and pollution. He emphasized the importance of the first meeting in setting the tone and strategic direction for the GEF-9 replenishment.

Ms. Agnès Pannier-Runacher, France's Minister for the Ecological Transition, Biodiversity, Forest, the Sea and Fisheries, emphasized the importance of financial contributions to the GEF for preserving biodiversity, addressing climate change, combating desertification, eliminating pollutants, and protecting oceans. She highlighted GEF's achievements, including supporting over 6,300 projects in 170 countries, totaling \$26 billion. Acknowledging global challenges and budget constraints, she stressed the need for equity by prioritizing funding for the most vulnerable, particularly the least developed countries and small island states, and expanding the donor base. She called for better accessibility through agency balance and simplified project cycles. She also advocated for increased efficiency by improving coordination with other environmental and climate funds, strengthening ties with multilateral banks, and boosting private financing. She urged GEF to maintain its versatility, support more conventions, demonstrate its impact, and use integrated, programmatic approaches in its interventions.

Mr. Rodriguez reflected on the success of GEF-8, which achieved a record US\$5.3 billion in pledges despite COVID-19 challenges. He noted that the GEF partnership is progressing well towards meeting environmental targets, with notable achievements in policy commitments, resource access, co-financing, and project speed. Looking ahead, the GEF-9 cycle aims to tackle global environmental and geopolitical challenges by building on GEF-8's lessons and

implementing changes in modalities, standards, and architecture, guided by five strategic themes: accelerated delivery, affordable finance, agile implementation, augmented access, and appropriate architecture. Mr. Rodriguez concluded by highlighting the GEF's efficiency and modernization, positioning it as a leading vehicle for scaling up funding and impact. He expressed confidence in the GEF's partnership and governance, anticipating continued collaboration in delivering international environmental aid.

Preliminary Findings of the Eighth Overall Performance Study of GEF (OPS-8)

The Independent Evaluation Office (IEO) of the GEF presented *The Highlights of Evaluation Findings 2022–2025* to inform the upcoming Eighth Comprehensive Evaluation of the GEF (OPS-8). The findings show that GEF-funded operations continue to be highly relevant, aligning well with multilateral environmental agreements and national priorities. Integrated Programming has grown in ambition and scale, with increased funding per project from GEF-6 to GEF-8. Results at the project level are strong, with 81% achieving satisfactory outcomes. However, only 64% showed promising sustainability prospects, highlighting a need for greater focus on long-term impact. Successful scaling of outcomes was seen in projects linked to Green Climate Fund investments and national financial systems in countries like Paraguay, Cambodia, and Micronesia. Co-benefits such as improved livelihoods and social cohesion are more prominent in newer project designs, though challenges remain around short project durations, fragmented scaling strategies, and unclear government responsibilities.

The evaluations also note progress on gender inclusion and indigenous peoples' engagement, emphasizing a shift from participation to leadership. Technological tools—such as AI, remote sensing, and digital platforms—are used in 63% of projects, yet the full potential of disruptive technologies is not being realized due to limited institutional readiness. Private sector involvement has increased but remains inconsistent, hindered by regulatory challenges and weak incentive structures. Although GEF maintains a competitive administrative cost ratio and stronger disbursement rates than similar funds, operational delays and complexity—especially in fragile states and Small Island Developing States—affect efficiency. The IEO recommends improving the Results-Based Management framework and knowledge systems to better support adaptive learning and track transformative impacts. Stakeholders responded positively and expressed interest in the strategic recommendations to be outlined in OPS-8 ahead of GEF-9 planning.

The Secretariat responded by highlighting the GEF's achievements throughout GEF-8 which were themselves influenced by the OPS-7 recommendations, including progress on efficiency and effectiveness, a continued and deepened focus on integrated approaches alignment with country priorities and global conventions, strong outcomes in vulnerable countries, leadership in integrating environmental issues into development agendas, and progress on whole of government and whole of society approaches. The Secretariat mentioned that for GEF-9, several themes mentioned by the OPS-8 Highlights will be under an increased focus, such as: enhancing private sector and MDB engagement, integrating sustainability and scaling into project design, deepening country engagement, evolving knowledge systems into dynamic learning platforms, increased attention to risk and innovation, and further simplifying operations for efficiency. As the OPS-8 report and its component evaluations become finalized, the Secretariat will incorporate these into further iterations of the GEF-9 policy and programming documents.

Programming Directions

Participants welcomed the initial discussions on the comprehensive GEF-9 Programming Directions and embraced the proposed GEF-9 strategic positioning along four pathways for nature positive development. The dialogue underscored the importance of strengthening synergies and complementarities between Integrated Programs and Focal Area resources to maximize the GEF's impact, avoid duplication, and ensure the efficient and effective delivery of global environmental benefits. Participants acknowledged the need to align funding and efforts to achieve maximum impact, while reducing fragmentation, in order to capture efficiencies and economies of scale in GEF recipient countries' environmental efforts. Many participants highlighted the GEF's unique capacity to deliver integrated, innovative, and transformational solutions to major global environmental challenges. This capacity is driven by its ability to mobilize project financing and co-financing across the GEF Family of Funds, to offer technical solutions, to build effective partnerships and leverage action and investment, all at a modest administrative cost. These are widely recognized as key elements of the GEF's competitive advantage as the preeminent multilateral financial mechanism for the global environment.

Participants expressed strong support for the proposed set of Integrated Programs as the main delivery model for high impact and multiple benefits for GEF-9. Participants acknowledged the GEF's progress in scaling up blended finance through non-grant instruments (NGI) and welcomed plans to further expand NGI use and private sector engagement under GEF-9. There was broad support for more fully integrating 'Whole-of-Government' and 'Whole-of-Society' approaches into GEF-9 programming, with calls to strengthen the alignment between these approaches and the efficient use of GEF-9 resources. The critical role of GEF-9 Strategic Initiatives was also emphasized, to enhance the GEF's engagement and impact. Participants recognized the importance of the GEF-9 Country Engagement Strategy, which will strengthen the role of the GEF Operational Focal Points and National Steering Committees to enhance country ownership, policy coherence, and prospects for lasting global environmental benefits sustaining a healthy planet for healthy people.

Policy Directions

Participants welcomed the draft Policy Directions for GEF-9, noting that the ambitious draft resonated well with findings from recent external assessments and reviews of the GEF. They endorsed its five mutually reinforcing themes, structured around the 'Five As'. Many strongly endorsed development of options to enhance co-financing transparency and effectiveness, including by placing more emphasis on joint co-financing, mindful that changes may affect the overall level of reported co-financing in GEF-9. Participants emphasized the importance of both strengthening the role of MDBs in GEF programming and channeling more support through them, including from the private sector, with some noting the need to further increase the involvement of regional development banks in GEF-9.

Some participants noted the importance of learning from other Multilateral Climate Funds. There was broad support for step-changes to streamline processes, including options to move to a one-

step project preparation modality and to enhance project readiness. Participants strongly supported a country platform approach to promote policy coherence and coordination at the country level, as well as strengthen private sector engagement. Participants appreciated the presentation of options for implementation through additional Agencies but cautioned against pursuing a cost-intensive project-specific approach, with one Participant noting they could not support this model. Some Participants indicated the importance of enhancing access mechanisms for Indigenous Peoples and Local Communities. Several participants also highlighted the importance of ensuring differentiated support and agency access for SIDS and LDCs.

There was broad agreement on the importance of an effective System for Transparent Resource Allocation in GEF-9. Some supported further emphasis on LDCs and SIDS, while others requested more information on the application of a vulnerability index. Participants welcomed the development of a draft Results Measurement Framework for the Second meeting, along with options for possible adjustments to the Risk Appetite and Framework, including indicators of transformational change as well as socio-economic co-benefits.

On Appropriate Architecture and Representation, some Participants suggested further analysis was needed, while others viewed the current architecture as already well functioning and that any adjustments should be for the Council to consider.

Financial Matters

The Trustee provided an overview of the proposed financial structure for the GEF-9 Replenishment, outlining the replenishment resources and financing modality to receive contributions. Participants noted and appreciated the clear outline of the financial structure for the GEF-9 Replenishment. Some Participants raised questions related to arrears and any plan to address arrears. The Trustee clarified that arrears will be carried over as part of the overall envelope of the GEF-9 Replenishment, following the practice of previous replenishments. Participants also stressed the need to broaden the contributor base, given the constrained aid budgets in light of tight fiscal conditions for many contributing participants. Participants urged continued efforts to reach out to potential new and past contributors to the GEF. As needed, the Trustee will engage in bilateral discussions with Contributing Participants on aspects related to the financial structure, the use of the burden-sharing framework for the GEF-9 Replenishment, and contributors' conditions and needs.

The Trustee also presented the paper on the reference exchange rates to be used in the GEF-9 Replenishment to translate amounts pledged in national currencies into SDR values. The Trustee presentation was well received by Participants. Participants agreed with the proposed recommendations that the reference time period for the GEF-9 Replenishment should be six months beginning July 1, 2025, and ending December 31, 2025, and those countries that experience an average annual inflation rate in their economies exceeding 10% over the years 2022-2024 would denominate their contributions to the GEF-9 in either SDR or USD.

Some Participants asked about a hedging solution to manage foreign exchange risk. The Trustee explained that there is a FX hedging pilot offered to one financial intermediary fund hosted by the

World Bank. The ongoing pilot hedging solution could shed some light on the pros and cons of managing the FX risk through a hedging solution. The Trustee will share any interim lessons learned from the pilot as part of the financial structure paper for the second meeting of GEF-9 Replenishment.

Venues for Next Replenishment Meetings

- Participants discussed and agreed that Botswana will host the next GEF-9 replenishment meeting from October 8-10, 2025. Given that some donors indicated constraints, it was agreed that a hybrid option would be offered for those who cannot travel.
- Participants were informed about a scheduling conflict for the 71st GEF Council and the 8th Assembly, originally planned for June 8-12, 2026. Due to the UNFCCC scheduling its 64th Sessions of the Subsidiary Bodies for June 8-18, 2026, in Bonn, Germany, members agreed to reschedule the meetings to May 31 - June 6, 2026. These new dates will be recommended to the GEF Council in the June 2-6, 2025, meeting.

Other Business

- Canada proposed, and participants approved, including a member from the Indigenous Peoples Advisory Group (IPAG) as an observer in the remaining GEF-9 Replenishment meetings.

Next Steps

In preparation for the next replenishment meeting in Botswana on October 8 - October 10, 2025, the GEF Secretariat and Trustee will:

- Continue developing the GEF-9 documents explicitly responding to the issues raised by Participants as summarized above and from comments received after the meeting, considering the ongoing work of the IEO, and reflecting guidance received from the Conventions;
- Engage with all stakeholders, including Convention Secretariats, Agencies, and other partners to facilitate strong engagement in GEF-9;
- Develop the financing structure for GEF-9 based on inputs and guidance from Participants and present it for adoption at the next GEF Replenishment meeting, aligning with the evolving GEF-9 programming directions; and
- Include one observer from the Indigenous Peoples Advisory Group (IPAG) in the remaining GEF-9 Replenishment meetings.