

DRAFT POLICY DIRECTIONS

Resourcing the GEF for Effective Delivery



global
environment
facility
INVESTING IN OUR PLANET

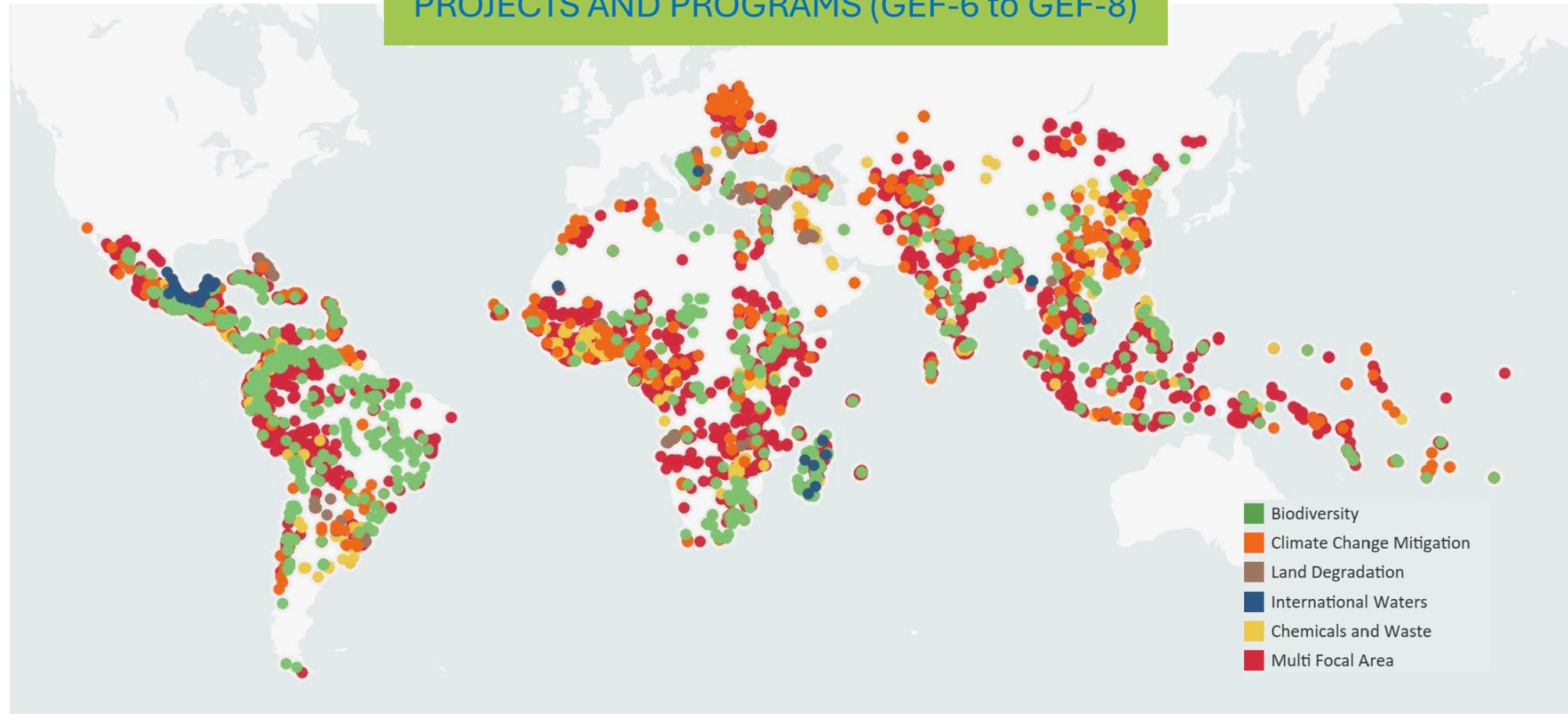
GEF Secretariat
May 20, 2025

Key Messages for GEF-9

1. The GEF is uniquely positioned to achieve greater global environmental benefits
2. It is an effective and efficient financing mechanism
3. Additional focus on key policy areas will increase the GEF's positive impact on the environment
4. Adjusted country allocations will remain the centerpiece of resource distribution + integrated and targeted programs

GEF investments accelerate transformative support for the environment

PROJECTS AND PROGRAMS (GEF-6 to GEF-8)



GEF operations during GEF-8: Achieved and expected results across environmental areas



BIODIVERSITY

132 (achieved)

213 (expected)

million hectares of protected areas created or managed sustainably

That's **larger** than the size of India



RESTORE LAND

25 (achieved)

45 (expected)

million hectares of land under sustainable land management

That's **over 98 million** soccer fields



MITIGATE CLIMATE CHANGE

840 (achieved)

1,885 (expected)

million tons of CO₂e in greenhouse gas emissions expected to be reduced

That equals **1 billion** New Delhi-Nairobi roundtrips per passenger



MANAGE INTERNTL. WATERS

10 (achieved)

35 (expected)

shared water ecosystems under cooperative management

That's over **100** countries collaborating in Large Marine Areas



REDUCE CHEMICALS & WASTE

43.9 (achieved)

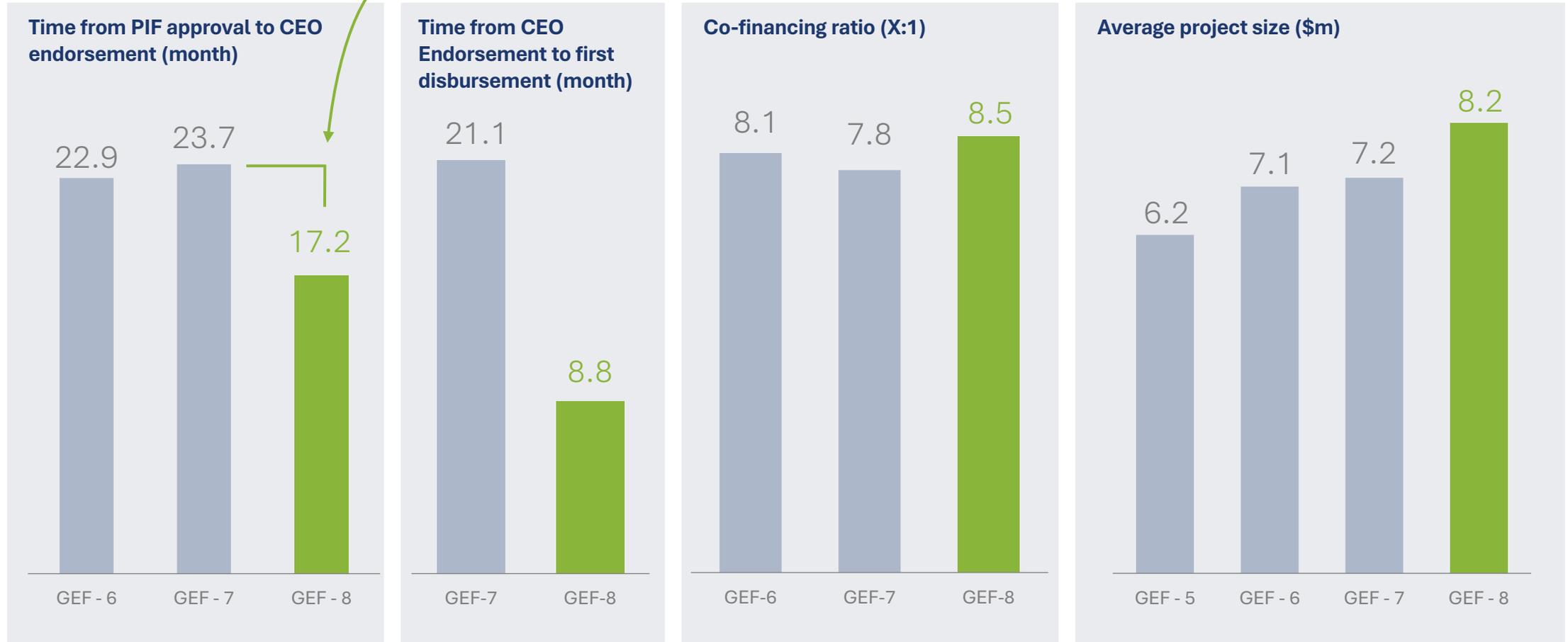
261.7 (expected)

thousand tons of chemicals of global concern and their waste reduced

That's the equivalent of the weight of more than **2,000** blue whales

The GEF's performance improved in recent phases

GEF's resources are committed to countries 6.5 months faster



The GEF has delivered on GEF-8 commitments

OVERARCHING ISSUES

- ✓ Focus implementation of the policy reform agenda
- ✓ Work with Multilateral Climate Funds
- ✓ Concentration of GEF funding among Agencies
- ✓ Target for regional MDBs and IFAD
- ✓ Empower Operational Focal Points
- ✓ Access to information on Agencies
- ✓ Collaboration between Agencies and countries
- ✓ Streamlining measures
- ✓ Analysis on concentration
- ✓ Improve agency coverage

RESULTS AND MONITORING

- ✓ Maintain Core Indicator
- ✓ Adopt the GEF-8 RMF two tiers
- ✓ Options to track socio-economic co-benefits
- ✓ Track all Rio Markers
- ✓ Targets for Rio Markers
- ✓ Bilateral exchanges on portfolio progress
- ✓ Country Performance and Learning Reviews
- ✓ Use of Mid-Term Reviews
- ✓ Report on actual results

INCLUSION AGENDA

- ✓ Continued policy implementation
- ✓ Gap analysis on sexual orientation, youth and disability
- ✓ Gap analysis on engagement in fragility and conflict

SUSTAINABILITY OF GEF INVESTMENTS

- ✓ Continue address sustainability
- ✓ Knowledge and Learning Strategy
- ✓ Implement the GEF-8 CES
- ✓ Promote policy coherence
- ✓ Implement sustainability recommendations

RESOURCE ALLOCATION (STAR)

- ✓ Full flexibility implementation
- ✓ MTR of the full flexibility
- ✓ Increased share to SIDS and LDCs
- ✓ Harmonization of SIDS floors with LDCs
- ✓ Harmonization of SIDS floors with LDCs
- ✓ Lowering focal area ceiling
- ✓ Formula adjustment
 - Options for policy coherence
- ✓ Policy coherence competitive window
 - Vulnerability analysis

OPTIMIZING THE USE OF RESOURCES AND ENSURING EQUITABLE ACCESS

- ✓ Streamlining, consolidation and efficiencies
- ✓ Enhanced integrated programming
- ✓ Transparent management of Integrated Programs
- ✓ Incentive for Integrated Programs
- ✓ Incentives for SIDS and LDCs
 - Options for Non-Grant Instruments

MOPAN rates the GEF as a top performing organization

COMPARING GEF ASSESSMENT RESULTS

		2025	2019
STRATEGIC MANAGEMENT	KPI 1	●	●
	KPI 2	●	●
OPERATIONAL MANAGEMENT	KPI 3	●	●
	KPI 4	●	●
RELATIONSHIP MANAGEMENT	KPI 5	●	●
	KPI 6	●	●
PERFORMANCE MANAGEMENT	KPI 7	●	●
	KPI 8	●	●
RESULTS	KPI 9	●	●
	KPI 10	●	●
	KPI 11	●	●
	KPI 12	●	●
	Points	35	30

● Highly satisfactory ● Satisfactory ● Unsatisfactory ● Highly Unsatisfactory

The GEF has to modernize to meet the growing ambitions and needs of the GEF Partnership

External calls for enhancement:

**G20 Sustainable
Finance Working
Group**

**MOPAN
Long-Term Vision**

GEF Reform

**Guidance and reviews
from COPs, Views from
Parties**

Donor context

GEF IEO

The Five As

A set of policy options to scale and accelerate implementation:

Introduction to:

- System for Transparent Allocation of Resources

Placeholder for:

- Results Measurement Framework



External Guidance

Where to enhance GEF impact through policy

Accelerated and Streamlined Delivery

Speed up project approval and management processes,
reduce costs,
better align with MDB processes,
increase flexibility in project cycle and access, particularly for LDCs and SIDS.

Affordable & Scaled Finance

Increase impact of concessional finance through greater use of blended finance.
Adapt financial instruments to diverse recipient needs and risk profiles.
Risk ecosystem to promote innovation and careful risk-taking.

Agile and Effective Implementation

Reduce steps to speed up disbursement
Monitoring systems to enhance transparency and real-time tracking.
Capacity-building support for disbursements.

Augmented Access and Empowered Countries

More options for LDCs and SIDS.
Faster funding for capacity-building.
More private sector engagement, MDB engagement, funding for local communities.
Stronger national oversight and ownership.

Appropriate Architecture and Representation

More differentiation in Council arrangements.
Role of non-sovereign contributors.
Revisit developed vs. developing country distinctions.
Representation of IPLCs, women, and youth.

A1 - Accelerated and Streamlined Delivery

1. Facilitate access to finance across funds with fewer modalities
2. Agency steps to streamline processes
3. Better tracking early project ideas
4. Introducing time standards
5. Harmonize Agency fees and commitment schedule
6. Upgrade and align the GEF Information Technology systems for higher efficiency

A2 - Affordable and Scaled Finance

1. Mainstream blended finance to increase private sector mobilization, efficiency and reach
2. Enable countries to structure initiatives as a series of linked phases across GEF cycles.
3. Outcomes-based financing for greater impact
4. Enhancing co-financing transparency and effectiveness

A3 - Agile and Effective Implementation

1. Increase project readiness prior to launch
2. Accelerating the implementation start of pending projects
3. Strengthening executing entity capacity for faster implementation
4. Formalizing portfolio review for stronger oversight
5. Enhance flexibility and incentives for projects in Fragility and Conflict-Affected Situations (FCS)
6. Risk-based approach to fast-tracking project management

A4 - Augmented Access and Empowered Countries

1. Expanding Agency cohort through targeted accreditation and project-based implementation approach
2. Enhancing access to financing to vulnerable groups
3. Promoting Country Platforms to boost private and public investments
4. Ensuring an active and diverse GEF Partnership
5. Promoting National Steering Committees
6. Enhancing OFP capacity and supporting engagement in projects

A5 - Appropriate Architecture and Representation

No options are elaborated at this early stage

Examples:

1. Council constituency composition
2. Flexibility and differentiation of governance across the family of funds
3. Role of non-sovereigns

Additional Policy Decisions Needed

- 1** **STAR** — Review global benefits indices, SIDS and LDCs, Introducing vulnerability index, Incentives for policy coherence, Maintain full flexibility, Introducing disbursement index, Maintain competitive window.
- 2** **GEF-9 Results Measurement Framework** — Tracking co-benefits, system change, efficiency, outcomes.
- 3** **Risk appetite and enterprise framework** — Reviewing appetite levels, clarifying risk ownership and responsibilities.

STAR

GEF-9 System for Transparent Allocation of Resources

Address Key Environmental Priorities

Routine data updates across all indices and sub-indices

Revisiting the methodologies on Global Benefit Indices

- Biodiversity
- Land Degradation

Strengthen Support for Countries with Special Needs

Adjusting GDP Index weight, allocation floors/ceilings

Exploring a Vulnerability Index

Integrate Policy Considerations

Exploring an index for policy coherence

Improve Efficiency

Exploring a Disbursement Index

Maintaining a competitive window

Conducting a mid-term review of STAR utilization

Maintain Full Flexibility

Maintain Full Flexibility to Support Integrated Programming Principles

Thank you.

